



## Property & Asset Management Policy

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### General Description

#### 1. PURPOSE

Campuses of the California State University system are required to adhere to CSU policies pertaining to acquisition, use and disposition of fixed assets. CSU Executive Order 649 delegates authority to campus presidents to establish and maintain a system of internal controls to safeguard University property. These procedures provide reasonable standards for compliance with CSU policies.

In keeping with its mission, California State University, Bakersfield (University) provides resources to members of the University Community. Resources, such as equipment and other tangible goods made available for student, faculty and staff use are the property of the University, and the State of California, and are provided for the completion of academic requirements, and University business. Use of University property for activities other than academic purposes or University business is not permitted, and the University reserves the right to suspend the use of these resources for the following reasons:

- a) Illegal activities
- b) Abuse of resources which significantly reduces the ability of others to use these resources

Adherence to property policies and procedures identified below will facilitate accurate record keeping related to the acquisition, control, and disposition of property. The combination of accurate accounting records and strong internal controls must be in place to protect against and detect the unauthorized use of the University's capital, non-capital equipment and sensitive equipment.

#### 2. AUTHORITY AND LEGISLATION

- CSU Administration of University Property Policy: <http://calstate.policystat.com/policy/11206798/>
- Contracts and Procurement Policy: <https://calstate.policystat.com/policy/7865355/latest/>

#### 3. SCOPE

For the purpose of this policy and procedures, property may include but is not limited to the following:

- A. Capital Equipment (estimated value \$5,000 and over)
  - B. Non-Capital Equipment (estimated value greater than \$2,500, and less than \$5,000)
  - C. Sensitive Equipment
  - D. Federally Funded Equipment
  - E. Donated or Gifted Equipment
  - F. Personal property
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## Policy and Procedures

### 1. POLICY

It is the policy of the California State University (CSU) that University property is properly valued, maintained, and safeguarded; that all University property transactions (acquisitions, disposals, etc.) are recorded in an accurate and timely manner; and that all University property procedures are followed.

### 2. PROPERTY DEFINITIONS

#### Capital 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.).
- b. Have an estimated life of greater than one year.
- c. Not permanently attached to or incorporated in the CSU buildings and grounds.
- d. Used to conduct University business.

All capitalized equipment must be tagged, tracked, and inventoried. Capitalized equipment will be tracked by recording it in the University's Financial System (People Soft).

#### Non-Capital Equipment (Equipment with an estimated value greater than \$2,500, and less than \$5,000)

The University has established that equipment that does not meet the criteria to be capitalized but is valued at \$2,500 or greater will be considered "non-capital equipment". All non-capital equipment is to be tracked, tagged, and inventoried. Non-capital equipment will be tracked by recording it in the University's Financial System.

#### Sensitive Equipment

All University property that is deemed Sensitive Equipment must be tracked, tagged, and inventoried regardless of their dollar value. Sensitive Equipment will be tracked by recording it in the University's Financial System.

The University's Property Survey Board reserves the right to deem any University property or equipment as Sensitive Equipment at any time based on cost versus benefit analysis and the potential risk exposure if equipment were to be misused or misappropriated. **At a minimum, the University has deemed the below listed equipment as "Sensitive Equipment" that must be tracked, tagged, and inventoried:**

- a) Weapons and Firearms
- b) Vehicles

- c) Laptops
- d) Computers
- e) Tablets
- f) Cell Phones and Smart devices
- g) Any property that the University Property Survey Board deems appropriate

#### **Off-Campus use of Equipment**

The CSU requires that University property not be utilized off campus unless it is necessary for conducting CSU business. In the event any University equipment is to be used off-campus by any University staff or faculty, The CSU employee is to fill out an equipment check-out form, file with the department's Property Custodian, and send a copy sent to Asset Management **before** property is taken off campus, **regardless of the equipment's valued amount.**

During each "physical inventory" cycle (once every 2 years), all off-site property must be returned to campus to be "physically" verified, so that the equipment's location and condition can be confirmed. If property is out of state, or unreasonably distant from the University's facilities while a physical inventory is being conducted of the department, a current dated picture displaying the condition of the property, along with a current dated picture of the asset tag can be sent via email to Asset Management and count as "physical" verification of the property.

#### **Federally Funded Equipment**

Generally, "Federally Funded Equipment" is equipment that regardless of dollar value was purchased with funds by a Federally Funded source. The University has established a threshold of all Federally Funded Equipment valued at \$2,500 or greater to be treated as non-capital equipment, and be tracked, tagged, and inventoried. Federally Funded equipment that is required to be tracked must be recorded in the University's financial system.

#### **Donated or gifted Equipment**

It is the policy of California State University, Bakersfield that all donations and gifts received by the University or any of its schools, departments, or units, be deposited through the office of the California State University, Bakersfield Foundation. Gifts to the University may be in the form of cash or non-cash items. Gifts of art must be approved for acceptance by the University's Gift-In-Kind committee. Gifts that are accepted with the expectation that they will be sold require special consideration for IRS purposes.

To account for and reconcile capital and non-capital equipment that is donated to California State University, Bakersfield the following procedures should be followed:

- a. All gifts of tangible personal property are transferred to the University through a deed of gift letter. The University Foundation will prepare a copy of the deed of gift letter for Asset Management and will include in it such information as equipment description, the receiving department, and value of the gift.
- b. The University Foundation will assist members of the academic community and donors in properly receiving and accounting for gifts to the University, because of the tax implications related to gifts and donations.
- c. Upon receipt of the deed of gift letter, Asset Management is responsible for processing the gift in accordance with the University gift policy. The University gift policy has established a threshold of all donated or gifted equipment valued at \$2,500 or greater to be treated as non-capital equipment and be

tracked, tagged, and inventoried. Donated or gifted equipment required to be tracked must be recorded in the University's financial system.

### **Personal Equipment**

CSU employees, who choose to use their personal computing, smart, electronic, or handheld equipment on-campus must identify and report the use of such equipment to their department's IT support for approval. The University is not responsible for the loss or damage to personally owned equipment. Personal equipment and property must be clearly identified as personal equipment, and will not be supported, guaranteed, maintained, or be made the responsibility of the University at any time.

### **3. PROPERTY AND ASSET MANAGEMENT RESPONSIBILITIES**

The Property and Asset Management staff are responsible for maintaining property documentation and must ensure of the following:

- a. The appropriate receiving, tagging, recording, tracking, and disposal of all property.
- b. Each department chair, dean, or director has assigned the department property control to a designee, named the department's "Property Custodian" in writing.
- c. Each department's property custodians have been trained and are aware of most current campus property policy and procedures.
- d. Documentation of each department's Property Custodian training.
- e. Verify procedures are being followed by all property custodians and each department is keeping current and accurate documentation of their department's property.
- f. Supervise or facilitate the disposal of property and verify that all rules and regulations are being followed in the disposal process (e.g., hazardous materials, sanitization, recycling, etc.).
- g. Conducting physical inventory of each department's assets on a two-year cycle basis.
- h. Verify all regulations for property obtained from a federal or state grant or contract are adhered to in accordance with the respective requirements such as federal and related state regulations.
- i. Campus utilizes the CSU Capital Assets Guide as guidance for all property as it relates to capitalized costs, depreciation methods, impairment, and other such issues.

### **4. PROPERTY CUSTODIAN RESPONSIBILITIES**

Property custodians will be assigned by each department's chair, dean, or director in writing. Property Custodians will have responsibility for the following:

- a. Promptly report any loss, damage, transfer, off-campus use, or misuse of property or equipment to the Asset Management Department as well as any other California State University, Bakersfield entities necessary.
- b. Perform at minimum an annual "inner department" inventory of capital, non-capital, and sensitive equipment. The Property Custodian will consult with the Asset Management Department, to provide any supporting documentation needed to complete annual inventory process within their department.
- c. At minimum once every two years, in conjunction with the Asset Management department, conduct a physical inventory of all capital, sensitive, and non-capital equipment valued greater than \$2,500.

- d. Properly maintain, update, and complete all appropriate property documentation within their respective departments. Documentation forms applicable for their department will include at minimum: Property Transfer, Property Survey, Equipment Check-out, Equipment Loss/Stolen/Destroyed, and Addendum for Lost/Stolen (when applicable).
- e. Notify Asset Management of any updates to their department's documentation.
- f. In the absence of a Property Custodian, the department's chair, dean, or director will assign an alternate Property Custodian in writing or will themselves assume the responsibilities of department's Property Custodian. Notification of an alternate Property Custodian will be sent to Asset Management.

#### **Inventory Equipment or Materials Check-out Form**

Instructions on how to complete the minimum requirements of the "Inventory Equipment or Materials Check-out" are listed below:

- a. Name of borrower (include employee ID# if applicable)
- b. Faculty/Staff/Student Name, Dept., Home & Day Phone, Course #: Fill out this section if you are Faculty or Staff/Student of CSUB.
- c. Borrower's Signature: Sign the form.
- d. Equipment Description: Describe the equipment, e.g. camera, computer, etc.
- e. Serial #: Serial #, Manufacturer's #, or Vin# of the piece of property being checked out.
- f. CSUB Tag # (Barcode #): CSUB Property Management tag # (Silver, White, Blue tag #).
- g. Department: Department that has custodial responsibility for the item.
- h. Approved By, Date: Faculty/Staff must have the approving signature of the departments Chair, Director, Dean, or Property Custodian. Signature and date approved.
- i. The remainder of the form is for Asset Management use.

#### **Equipment Loss/Stolen/Damaged Report**

When a determination has been made that an asset has been lost or stolen, the individual or department accountable for the asset should immediately notify University Police. A University Police Report is completed and submitted with a Lost/Stolen Report Form (Form A) to Asset Management.

The loss or theft of a campus owned workstation, laptop, tablet, or sensitive equipment also requires the property custodian of the department's asset to file an Addendum for Lost/Stolen Report (Form B) with the University Police Report. The completion of the regular lost/stolen report (Form A) must accompany the lost/stolen report for workstations, laptops, tablets, or sensitive equipment (Form B) and a copy of this form must be sent to the CSUB ISO Officer. If the Property Custodian of the asset is not the most informed person regarding the data that may have been stored on the sensitive equipment, the Property Custodian must contact Asset Management and seek assistance on completing Form B.

All employees and students may be charged for any loss or damage to University capital, non-capital or sensitive equipment that is attributable to their negligence or unauthorized use.

Instructions on how to complete the minimum requirements of the Equipment Lost/Stolen Report Form are listed below:

- a. Department: Department that has custodial responsibility for the item.
- b. Date of Report: Date report filled out or filed.
- c. Description: Describe the equipment, e.g. camera, computer, etc.

- d. Make/Model #: Name of Make and Model # of the piece of property being reported (or best description).
- e. Serial #: Serial #/ Vin # / Manufacturer's # of the piece of property being reported. (or best description).
- f. CSUB Tag # (Barcode #): CSUB Property Management tag # (Silver, White, Blue tag # or best description).
- g. Faculty/Staff/Student Name of who last was assigned the equipment.
- h. Date article was discovered missing.
- i. Designate if a report was filed with Public Safety: Yes/No (If applicable list case #).
- j. Detailed Narrative: Explanation of what happened to the equipment, when it happened, and where.
- k. Individual's Signature: Signature of person reporting the article lost/stolen/ or destroyed.
- l. Approved By, Date: Faculty/Staff must have the approving signature of the departments Chair, Director, or Dean. Date and signature.
- m. The remainder of the form is for Asset Management use.

## **5. DEPARTMENT RESPONSIBILITIES**

Departments are responsible for maintaining records of their equipment's pertinent documents since it serves their departments direct interest in preserving the longevity of their equipment. The documentation below is to be maintained at the department's discretion:

- a. Warranty information and support documentation is to be maintained at the department's discretion. The information maintained in Asset Management's property records is not the primary source of warranty information.
- b. Preventative maintenance, and support documentation is to be maintained at the department's discretion, and in conjunction with University's Facilities department. The information maintained in Asset Management's property records is not the primary source of maintenance information.
- c. Insurance, Liability coverage, and support documentation is to be maintained at the department's discretion, and in conjunction with University's Safety & Risk department. The information maintained in Asset Management's property records is not the primary source of Insurance and Liability coverage information.

## **6. EMPLOYEE RESPONSIBILITIES – FACULTY, STAFF, AND TEMPORARY EMPLOYEES**

Departments with equipment are always susceptible to theft or loss and must implement at minimum one or more of the following protection measures while using equipment when deemed reasonable by their department's Dean, Director, or Property Custodian:

- a. Ensure University equipment identification tags or permanent markings are visible on the equipment.
- b. Follow departments internal check-out/check-in system.
- c. Lock office equipment to desk or stands.
- d. Utilize a security room or closet to store high-risk equipment.
- e. Lock office doors after business hours or whenever not physically in the office.

## **7. STUDENT RESPONSIBILITIES**

Students that handle or check-out University equipment must adhere to the University student code of conduct and Acceptable Computer and Network Use Policy while using University property.

## **8. PROPERTY TRACKING METHOD**

Asset Management will track all capital, non-capital, and sensitive equipment by recording it in the University's financial system at the time of receipt and update record as needed. At minimum the following data will be recorded to ensure University property is properly tracked at all times:

- a. Asset serial #, vin #, or manufacturers # (#, number, or no.)
- b. Asset Tag# (or Barcode #) number
- c. Department of ownership (established by funding source, and updated by Property Transfer Form)
- d. Estimated value at time of purchase, acquisition, or donation
- e. Asset status: Active, In-Active, or Disposed

## **9. PROPERTY TAGGING METHOD (BARCODING)**

Asset Management and Receiving is responsible of applying an identification tag number (Barcode) to all capital equipment, sensitive equipment, and non-capital equipment valued greater than \$2500. However, this function may be delegated to a department when deemed appropriate. The identification barcode number is applied to the physical unit unless its size or nature makes it impractical. A barcode tag bearing the identification number should be affixed in the top left corner or next logical and conspicuous position. Additional identification required by a department should be applied in a manner that avoids confusion with Asset Management's identification barcode number. Should the identification number be accidentally or mistakenly obliterated, defaced, or removed, the equipment will be bar-coded with a new number (tag). The previous number becomes the secondary number enabling Asset Management to account for all barcode numbers associated with that item.

## **10. PROPERTY INVENTORY METHOD (PHYSICAL INVENTORY)**

Asset Management will conduct a "physical" inventory of all capital equipment, sensitive equipment, and non-capital equipment valued greater than \$2500 every two years. The location of each item Capital Equipment, Sensitive Equipment, and Non-Capital Equipment valued greater than \$2500 is noted in each department's records.

The Department's Property Custodian will ensure that current records as to movement of equipment are maintained in such a manner that any item of equipment can be located for inspection or inventory purposes within a reasonable time. The responsible department will notify Asset Management of any changes in location to ensure University Property is properly documented in Asset Management's records.

### **Results of Physical Inventories**

Department's Property Custodians will submit to Asset Management their inventory listing that properly identifies all discrepancies disclosed by the physical inventory. The listing will be signed by the department head indicating that the physical inventory of all or certain equipment was completed on a given date, and that official property records agree with the physical inventory, except for reported discrepancies. The Property Custodian will submit the listing to Asset Management within 30 days of the completion of the physical inventory, along with all appropriate and necessary Loss/Stolen/Damaged, Transfer, Equipment Check Out, and Property Survey documentation. Asset Management will retain a copy of all documentation resulting from the physical inventory and will update the status of the departments property as needed in the University's financial system.

## **11. TRANSFERS AND RELOCATION OF CAPITAL AND NON-CAPITAL EQUIPMENT**

### **Inter-Departmental Transfers**

When capital, non-capital, or sensitive equipment is transferred between departments, a “Property Transfer Report” form must be completed department’s Property Custodian and signed by the appropriate dean, director, or chair of the department releasing liability of the equipment and signed by the appropriate dean, director, or chair of the department receiving newly established custody of the equipment. This form should then be forwarded to Asset Management to update the inventory records immediately when the transfer is to take place. It is the responsibility of the department’s Property Custodian to notify Asset Management of all relocations of capital, non-capital, or sensitive equipment. Also, it is the responsibility of the transferring department to notify ITSS to have all confidential and sensitive data removed from all computers, laptops, or tablets prior to transferring to another individual or department. It is the responsibility and at the discretion of the receiving department to obtain any Insurance, Liability coverage, Warranty, or preventative maintenance documentation applicable before the transfer date.

## **12. PROPERTY RETIREMENT, DISPOSAL, AND FINAL DISPOSITION PROCESS**

### **Property Survey**

Before a department can retire, dispose, recycle, junk, salvage, sell, donate, auction, or trade-in either capital, non-capital equipment or sensitive equipment, it must follow a process known as a “Survey”. The proposed disposition must be documented and recorded, at minimum, by following the below procedure:

- a. A property survey request must first be prepared by department’s Property Custodian sent via email or in writing to the department’s chair, dean, or director for ink or electronic signature and approval. A complete description of the item, including the University identification tag (Barcode) number, serial number or vin number if available, should be documented in the Property Survey Request and sent to Asset Management.
- b. Department will then turn-in any supporting documentation and title/registration if applicable to Asset management.
- c. Asset Management will review the written request, and with conjunction of the department’s Property Custodian and prepare an official Property Survey Report and then forward the completed Property Survey Report to the University’s Property Survey Board for review and approval.
- d. Upon Property Survey Board’s approval, and Asset Management will remove equipment from department’s equipment inventory records and place equipment as “in-active” status in The California State University - Common Financial System.
- e. Asset Management will then execute and supervise the proposed disposition of the vapital or non-Capital equipment.

### **Sale of Equipment**

Asset Management, in accordance with University policy, may offer University equipment for sale, before such action occurs these items are offered for campus department use via posting on the Asset Management’s website. Departments may also call and request equipment, if such items come to the attention of Asset Management, notification will be sent to the requesting department and a transfer document will be prepared with the asset being reinstated. If no campus department wants such equipment, Asset Management may offer this equipment for sale to the general public through online auction. All proceeds from any sale are to be returned to the department of ownership’s general fund, minus a 30% handling fee which is to be returned to the Asset Management department.

The term “sold equipment” applies to University owned equipment sold to external agencies or individuals. It does not apply to equipment transferred to another department or CSU campus.



### **Donation of Equipment**

Asset Management in accordance with University policy may donate University equipment. Any educational institutions, public agencies, or non-profit organization may qualify for a donation. For all donations, a copy of the non-profit organization's 501(c)3 certification is to be obtained and retained. The organization must submit a letter, requesting donation on letterhead to Asset Management. All donations of capital and non-capital equipment must be processed through Asset Management.

### **Recycle or Salvage Property**

University property that is deemed obsolete, irreparable, or dangerous may be discarded using a State certified recycler. Parts from such property may be identified as salvage parts and reclaimed for University business use. A Property Survey Report must be prepared whenever it is proposed to dispose of University owned capital or non-capital equipment by junking or salvaging the equipment for parts. Departments should follow the procedures outlined above in the section entitled Removal of Equipment from Property Records (Survey).

### **Trade-in of Capital or Non-Capital Equipment**

Departments must prepare and submit a written request whenever equipment is being traded in. The request should include a complete description of the equipment, the vendor, the monetary value offered for the equipment, and requisition number. The department should provide a purchase order number to Asset Management when it becomes available.

## **13. PROPERTY SURVEY BOARD**

As stated in the state administrative manual (SAM 3520.2), the California State University, Bakersfield (CSUB) shall establish a Property Survey Board. It will be the responsibility of the board to determine that the best interest of the state is served in the utilization, transfer, and disposition of state-owned property. At least two members of the Property Survey Board (SAM 3520.2) will approve all Property Survey Reports and any Transfers of location of equipment (STD. 158). The Property Survey Board will consist of a sufficient number of members that both business management and program responsibilities are represented from the University community. New members may be admitted to the Property Survey Board at anytime with the approval of two existing Property Survey Board members, or if appointed by the University's President, or University's Chief Financial Officer (CFO). Current Property Survey Board members consist of the following:

- a. Associate Director of Procurement and Distribution Services (Chairperson)
- b. Director of Facilities Management, or designee
- c. Chief of Public Safety, or designee
- d. Office of Controller and Accounting Services, or designee
- e. Director of IT Services, or designee
- f. Director of Safety and Risk, or designee
- g. Director of Academic Affairs, or designee
- h. Director of Student Services, or designee
- i. Asset Management Lead (Advisory capacity)

## **14. CONTROLS**

Should Asset Management determine that an employee has violated CSU and/or the University's property policies and procedures, Asset Management will contact the appropriate Dean, Director, or Chair of that department, as well as file a report with University Police Department, and University Human Resources Department if deemed necessary.

**15. FORMS AND RELATED UNIVERSITY POLICIES**

- [Gift Acceptance Form](#)
- [Equipment Loss/Stolen/Destroyed Report](#)
- [Addendum for Lost/Stolen Reports](#)
- [Property Survey Report](#)
- [Inventory Equipment or Materials Check-Out](#)
- [Property Transfer Report](#)
- Property Custodian Responsibilities