

Policy#: 430.1
Date: July 10, 2012 (supersedes policy July 22, 2007)
Reviewed: September 23, 2015
Next Review: *September 23, 2017*

TITLE: EQUIPMENT/PROPERTY MANAGEMENT

Policy Objective

The purpose of this policy is to have a management system for equipment and property purchased using University Enterprises Corporation at CSUSB (UEC) funds. Federal and State regulations require that UEC must maintain records for equipment and property purchased. This is necessary to ensure that equipment is properly recorded as UEC property, maintained, safeguarded, and appropriately disposed of. Due to the varying funding sources, specific pieces of equipment will be maintained in accordance with the specific guidelines of the funding agency.

Policy Statement

When purchasing equipment or property with federal funds, UEC will adhere to federal regulations contained in 2CFR 215 Section 34 (formerly known as OMB Circular A-110) - *Uniform Administrative Requirement for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations*. When purchasing equipment or property with non-federal funds, UEC will adhere to the institutional policies related to fixed asset management or the guidelines in the sponsored agreement, whichever is more restrictive.

UEC defines equipment as non-expendable, tangible property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit, regardless of the funding source. Equipment or equipment components meeting this criteria will be tagged, recorded, and inventoried by CSUSB Property Management in order to identify property belonging to UEC. Some sponsoring agencies may impose a more restrictive definition of equipment and in those cases equipment will be identified and tagged based on the requirements of that agency.

All sensitive equipment with an acquisition cost of \$500 or more (inclusive of sales tax) will be tagged, recorded (non-capitalized), and inventoried by CSUSB Property Management. UEC follows CSUSB guidelines and defines sensitive equipment as computers and portable projectors.

Title to Equipment

Unless stated otherwise in the award documents title to equipment acquired is vested in UEC upon acquisition. When the project/program that provided the funds to purchase the equipment expires, they may continue to use the equipment for other activities that further support the original purchase of the equipment, or they can request the equipment be used for other campus purposes, or they can request the item be disposed.

Obtaining and tracking of equipment

- a. Purchases of equipment (acquisition cost of \$5000 or more) should have prior authorization or approval from the funding agency or program.
- b. Purchases of sensitive equipment typically do not require prior authorization, however justification can be requested to support the purchase at the discretion of the approver.
- c. Auxiliary Accounting will process the payment to the vendor, initially input the asset information into the CFS Asset module, and send notification to CSUSB Property Management regarding new equipment.
- d. Auxiliary Accounting will handle the accounting aspect for the appropriate reporting and depreciation in the General Ledger, if applicable.
- e. CSUSB Property Management will ensure the equipment is tagged, inventoried, and updated in CFS Asset module.
- f. A physical inventory of equipment will be conducted by CSUSB Property Management at least once every two years. Inventory will be reconciled with the UEC accounting records and discrepancies will be investigated to determine the cause of any differences.

Joint Purchases

In the event that equipment is purchased jointly by UEC and another entity (including CSUSB) a copy of the invoice will be required for payment. Purchases meeting the definition of equipment will be recorded in UEC records and will be tagged, recorded, and inventoried according to the procedures listed above. The value and ownership will be based on the proportionate share paid by UEC for the item(s).

Disposal/Retirement of Equipment

CSUSB Property Management will dispose of equipment. Refer to UEC Policy #430.0 Surplus Property Disposal Policy for handling and disposition information.

Responsibilities of Recipients

The project/program will comply with requests for updated physical inventory locations. They will make every effort to safeguard equipment and property from theft, damages or misuse. In the event any items are lost or stolen it will be reported to the appropriate authorities. Should the equipment be moved they must notify CSUSB Property Management of the new location.

The project/program is also responsible for establishing property maintenance procedures based on manuals and instructions furnished by the manufacturer. In absence of such directions, they should establish a maintenance program based upon experience and judgment.

CSU Campus Policies/Federal Regulations/Related Documents

- ICSUAM Section 11000.005.000 – Equipment & Property Management
<http://www.calstate.edu/icsuam/sections/11000/11000.005.000.shtml>
- 2 CFR 215 Section 34 (formerly known as OMB Circular A-110) - *Uniform Administrative Requirement for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations*
- 2 CFR 220 *Cost Principles for Educational Institutions* (formerly known as OMB Circular A-21)

Approval:

Approved by the UEC Board of Directors