



Asset Management Policy Manual

1.0 OBJECTIVE

This document establishes the policies for the uniformed and consistent management of designated assets at CSU, Fullerton. These requirements are used to provide accurate records for the acquisition, maintenance, control, disposition of property and reporting to the CSU Office of the Chancellor. The combination of accurate accounting records and strong internal controls must be in place to protect against theft and detect the unauthorized use of CSU, Fullerton property.

2.0 DEFINITIONS

2.1 Capitalized Equipment

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

- 1) 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.),
- 2) an estimated life of greater than one year,
- 3) is not permanently attached to or incorporated in the CSU, Fullerton buildings and grounds, and
- 4) is used to conduct CSU, Fullerton business.

Capitalized equipment must be tagged and inventoried. For tagging methods, refer to Section 5.2 Identification of Campus Equipment.

The exception to the capitalized equipment tag and inventory requirement is modular furniture which can be assembled and re-assembled in various configurations. As modular furniture costs are capitalized for audited financial statements, campuses are to develop procedures to reasonably account for them in order to identify and remove the cost and related accumulated depreciation from the campus' financial records upon disposal.

2.2 Non-Capitalized Equipment

Generally, "Non-Capitalized Equipment" is equipment that does not meet the criteria to be capitalized. CSU, Fullerton tracks non-capitalized equipment based on an analysis of cost, use, benefit and risk of misuse or misappropriation.

Criteria for the tracking, tagging and inventory of non-capitalized equipment is as follows:

- 1) University Police firearms
- 2) vehicles (including General use mobile equipment per ICSUAM 5303-00 Commodities with Special Purchasing Requirements)
- 3) Sensitive Equipment (Laptops, iPads or other IT related items or equipment that is easily subject to theft or loss).
- 4) all federally funded equipment (see Sponsored Programs ICSUAM 11005.00 Equipment and Property Management Policy for more instructions on federally funded equipment).
(<https://www.calstate.edu/icsuam/documents/Section11000.pdf>)

Non-capitalized equipment deemed to be "trackable" is recorded in the campus defined property inventory records but not included in the campus' audited financial statements. For tagging methods, refer to Section 5.2 Identification of Campus Equipment.

2.3 Sensitive Equipment

Sensitive equipment is equipment that is easily subject to theft or loss based on an analysis of cost, use, benefit and risk of misuse or misappropriation. These items / Sensitive Equipment must be **tracked, tagged and inventoried**.

- 1) Examples of **Sensitive Equipment**: Desktop computers, portable computing devices, copiers, external hard drives, IT servers or other IT related items or equipment that are easily subject to theft or loss.

2.4 Information Assets

Information assets are electronic records as defined and must be managed in accordance with ICSUAM Policy 8000 Series - Information Security (<http://www.calstate.edu/icsuam/documents/Section8000.pdf>)

2.5 Instructional Equipment (IE)

The tracking, tagging and inventory of instructional equipment is not required by CSU Administration of University Property Equipment Procedures – December 11, 2015 (Refer to "CSU Administration of University Property - Equipment Procedures" for definitions and Procedures).

2.6 Group II Equipment

Items purchased to place a structure into service, commonly referred to as "Group II Equipment," must be evaluated for capitalization or tracking based on the criteria specified in Sections 2.1 and 2.2.

2.7 Equipment Tracking, Tagging and/or Inventory Requirements Matrix

In summary, the following is a recap of Equipment that must be tracked, tagged and/or inventoried by CSU, Fullerton:

Equipment Type	Inventory Record (1)	Tracked (2)	Tagged (3)	Inventoried (4)
Capitalized Equipment (Including modular furniture)	CFS AMS	X	X	X
Non Capitalized Equipment				
Firearms	CFS AMS	X	X	X
Vehicles	CFS AMS	X	X	X
Sensitive Equipment (See Section 2.3)	CFS AMS	X	X	X
Federally Funded Equipment per ICSUAM 11005.00 (Adherence to CSU, Fullerton Policy)	CFS AMS	X	X	X
Equipment with a per unit "fair market value" of \$5,000 or greater - Refer to Section 6.1	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 5.1 Asset Management System.
2. **Tracked:** Accounted for on a reasonable basis, no less than annually, conducted by the custodial department or other identified responsible party/department.
3. **Tagged:** Tagged or marked with a unique identification number recorded in the asset management system. 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 CSU, Fullerton Asset Management Office or other identified party/department, other than the custodial department. Refer to Section 6.1 regarding Federally Funded Equipment.
5. **Delivery Point:** The predetermined “delivery point” for all theft-sensitive equipment purchased with departmental procurement cards shall be Pollak Library South, Room 82 (PLS-82). This policy is also applicable for all equipment transferred from ASC that is considered to be theft-sensitive equipment.

2.8 Custodial Department

The CSU, Fullerton department assigned ownership to the property.

3.0 CAMPUS COMMUNITY AND DEPARTMENTAL ROLES AND RESPONSIBILITIES

3.1 Employees - Faculty & Staff

Employees of the campus community have an obligation to safeguard CSU, Fullerton 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 to appropriate personnel including the IT security department via the appropriate form (such as Report of Missing Property form, Campus Police Incident Report, and Police Report).
- 4) Reasonable care, maintenance, and use of equipment to prevent damage.
- 5) Returning equipment in satisfactory condition.

3.1.1 Campus Departments

CSU, Fullerton Campus Departments shall appoint a **Departmental Asset Record Keeper** to be the primary contact for the Asset Management Office for all departmental asset related matters. Campus Deans will be responsible for the appointment of the Departmental Asset Record Keepers and shall do so in writing and submit to the Asset Management Office. The Asset Management Office will verify the listing of Departmental Asset Record Keepers on an annual basis. The Asset Management Office will require that all Departmental Asset Record Keepers attend on campus trainings related to asset management topics, best practices and CSU or Campus Policy updates.

3.1.2 Department Asset Record Keeper

The Department Asset Record Keeper is responsible for:

- a. Coordinating and tagging of inventory that is either delivered directly to the campus department or the campus' Shipping and Receiving warehouse and ensuring that all property is appropriately tagged
- b. Ensuring that all property is properly maintained and secured
- c. Coordinating the Physical Inventory process with the Assets Management Office, signing off on any required Physical Inventory Certification forms

3.1.3 Appropriate Administrator

The Appropriate Administrator is the primary contact and approver for department property related

transactions with the Assets Management Office and is responsible for:

- a. Ensuring that all property is properly tagged, maintained, and secured
- b. Designating a Department Asset Record Keeper to their department
- c. Notifying the Assets Management Office within 10 business days when a new Department Asset Record Keeper or Alternate Department Asset Record Keeper is assigned to the department
- d. Sending the Assets Management Office an annual update of current Department Asset Records Keepers

3.2 Sponsored Programs

All equipment funded by externally sponsored programs is also subject to CSU, Fullerton Asset Management Policy, Sponsored Programs Administration ICSUAM 11005.00 Externally Funded Equipment & Property Management Policy (<https://www.calstate.edu/icsuam/documents/Section11000.pdf>).

3.3 Financial Accounting & Reporting

Financial Accounting & Reporting is responsible for authorizing the majority of financial reports and ensuring the reporting data is available for end users throughout campus. See Section 10.0 REPORTING AND RECONCILIATIONS for further information.

3.4 Property Survey Committee (PSC)

CSU, Fullerton will have a campus defined Property Survey Committee responsible for determining whether the disposal of surplus property is in the best interest of the state. 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 the disposition transaction. PSC approval is required for the disposition of capitalized and non-capitalized equipment deemed trackable or taggable.

The Property Survey Committee (PSC) shall be comprised of representatives from the following campus departments:

- 1) Asset Management Office
- 2) Contracts and Procurement
- 3) Capital Programs & Facilities Management
- 4) Office of Sponsored Programs
- 5) Division of Information Technology
- 6) Accounting Services and Financial Reporting
- 7) Academic Affairs

3.5 Assets Management Office (AMO)

The Assets Management Office (AMO) has established campus procedures and responsibilities for acquiring, maintaining, tracking, tagging, and disposing of University Property. The Assets Management Office is responsible for the following:

- a. Tagging all inventoried items
- b. Recording and maintaining all inventory acquisitions and transactions in the University asset management database
- c. Coordinating and conducting physical inventories and internal/external audits with campus departments
- d. Coordinating the annual update of the Asset Record Keeper and Designated Division Approvers
- e. Processing all property survey/transfer forms

4.0 ACQUISITION OF EQUIPMENT

Equipment may be acquired by purchase (including lease purchase, installment purchase, and

Procurement Card purchase), donation, transfers and fabrication. Per Section 2.0, equipment will be added to the inventory record, tracked, tagged and inventoried as appropriate. (Refer to Section 2.7 Equipment Tracking, Tagging and/or Inventory Requirements Matrix.)

4.1 Purchase

The 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.

4.2 Property Purchased Jointly with Other Entities

Property purchased with a combination of the campus' and other entities' funds (auxiliaries, federal agencies, etc.) shall be noted on the purchase order with the amount of funds allocated from each funding source. If not stated in the agreement of purchase, these items will be recorded as CSU Property if any portion of the funds used to acquire, install, or maintain the items are from CSU sources.

4.3 Donations (In Kind Gifts)

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

4.4 Transfers

Upon acceptance of items transferred from another campus, auxiliary organization or state agency, the campus must determine the fair market value of the asset at the time of transfer.

4.5 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 Asset Management Office in writing.

5.0 ASSET MANAGEMENT SYSTEM & EQUIPMENT IDENTIFICATION (TAGGING)

5.1 Asset Management System (AMS)

The generic term, asset management system, is the software program (not necessarily PeopleSoft) used to record the campus' acquisitions, transfers, and dispositions of CSU, Fullerton property.

The asset management system 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 must be recorded either in the asset management system or in local campus defined records as indicated in section 2.0 of this policy. (Refer to Section 2.7 Equipment Tracking, Tagging and/or Inventory Requirements Matrix.)

The information entered into the asset management system will include, but is not limited to: **detailed item description, date of receipt, CSU, Fullerton purchase order number, campus location information for inventory, total cost, Departmental Asset Record Keeper information and other financial information for reporting.** The description of the equipment entered into the asset management system may include (as available) make, model number, manufacturer, serial number, campus identification number (CSU, Fullerton tag number), and asset class as needed for capital asset reporting and depreciation.

Accurate records are to be maintained as to the **Departmental Record Keeper** and current location of equipment to allow for inspection and/or inventory purposes whenever necessary. The timing requirements for adjustments to the asset management system shall be done within **thirty (30) days** of asset status change provided to the Asset Management Office by Campus Departments.

5.2 Identification of Campus Equipment

All capitalized and non-capitalized campus equipment (deemed taggable) must be tagged or marked with a unique identification number which is to be recorded in the asset management system and also on all applicable property control documents. The identification number will be directly 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 the CSU, Fullerton identification number. (Refer to Section 2.7 Equipment Tracking, Tagging and/or Inventory Requirements Matrix.)

CSU, Fullerton property will be tagged before it is distributed to the accepting department. If property is delivered to another physical location other than the Distribution Warehouse (for example - direct deliveries to campus departments) it is the responsibility of the custodial department to contact the Asset Management Office to tag and apply a new CSU, Fullerton property identification number.

If an equipment identification number on currently tagged CSU, Fullerton becomes destroyed, defaced, or removed, it is the responsibility of the custodial department to contact the Asset Management Office to tag and apply a new CSU, Fullerton property identification number.

6.0 PHYSICAL INVENTORY

6.1 Physical Inventory of Campus Equipment

A complete physical inventory of all CSU, Fullerton 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 fair market value of \$5,000 or greater, requires a two (2) year cycle physical inventory per Sponsored Programs Administration ICSUAM 11005.00 Externally Funded Equipment and CSU, Fullerton Asset Management Policy.

To ensure proper segregation of duties, this physical inventory shall not be conducted by the custodial department. The campus Asset Management Office will conduct this physical inventory or identify another party or department to do so. The completed inventory must be reviewed and approved by 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.

The Physical Inventory of capitalized equipment will be reconciled to the general ledger, while non-capitalized equipment is not. (Refer to Section 2.7 Equipment Tracking, Tagging and/or Inventory Requirements Matrix.)

6.2 Off Campus Use of CSU Property

CSU, Fullerton requires that campus property not be utilized off campus unless it is necessary for conducting CSU, Fullerton business. If CSU, Fullerton property (including property deemed trackable) has been approved to be used off-site, it is the responsibility of the department and user to complete an authorization form for off-site use before the property is in the custody of the user.

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

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

6.3 On Campus Use of Personally Owned Property

It is recommended that CSU, Fullerton employees who use their personal style computing devices on-campus identify and report the use of such equipment to their department's IT support. CSU, Fullerton is not responsible for loss or damage to personally-owned equipment.

7.0 MAINTENANCE

Campuses must establish practices to reduce risk associated with the use of equipment by maintaining such equipment in good working order. For example, campuses are required to have a Motor Vehicle Inspection Program.

The CSU, Fullerton Preventive Maintenance program has been designed and implemented across numerous trades in order to track inventory and maintain campus equipment. Frequency of inspections is based off state standards or manufacturer recommendations to ensure that all equipment is in proper working condition. The preventive inspections are a critical aspect of the campus's day to day operations as it can help to identify and correct problems before a major, and possibly costly, breakdown occurs.

Trade shops that are currently operating/integrating a PM program include:

- 1) Auto Shop
- 2) Plumbing Shop
- 3) Electric Shop
- 4) Central Plant (Building Engineers)
- 5) Lock Shop
- 6) Landscape
- 7) Grounds

8.0 LOSS PREVENTION

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

- 1) Ensure CSU, Fullerton equipment identification tags or permanent markings are visible on the equipment.
- 2) Establish an internal check-out/check-in system for departmental equipment.
- 3) Lock office equipment to desk or stands.
- 4) Utilize a security room or closet to store high-risk equipment.

8.1 Missing, Lost, Stolen or Vandalized CSU, Fullerton Property

In the event that equipment becomes missing, lost, stolen or vandalized, a report shall be filed and forwarded to the CSU, Fullerton – University Police Department and the Asset Management Office upon discovery. For incidents with on-campus property, an incident report must be filed with the campus University Police Department in the case of stolen and/or vandalized property. For incidents with off-campus property, the local police department shall be notified and a police report filed in the case of stolen and/or vandalized property. In all cases of theft or loss of information assets or equipment containing information assets, the CSU, Fullerton IT security department must be notified immediately upon discovery.

9.0 DISPOSITION OF CAMPUS PROPERTY

9.1 Surplus Property

A **Property Survey Report (STD. 152 (REV.12-93))** must be completed for equipment that a department deems as surplus. The custodial department will advise on the present condition and current use of the item prior to forwarding to the Asset Management Office for disposition.

9.2 Equipment with Special Requirements

The campus will ensure all special requirements for equipment are addressed.

9.2.1. VEHICLES

The certificate of title (pink slip) must be kept on file for all campus vehicles. All sale and trade-in information will be retained by the CSU, Fullerton Asset Management Office once the vehicle has been disposed.

9.2.2 INFORMATION ASSETS

Refer to ICSUAM Policy 8065.00 Information Asset Management.
(<http://www.calstate.edu/icsuam/documents/Section8000.pdf>)

9.2.3 FEDERALLY FUNDED EQUIPMENT

Refer to ICSUAM Policy 11005.00 Externally Funded Equipment and Property Management.
(<https://www.calstate.edu/icsuam/documents/Section11000.pdf>)

9.3 Approval of Dispositions

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 approval of the campus defined Property Survey Committee (PSC).

9.4 Types of Dispositions

For prohibited practices refer to Public Contract Code 10334(a) and ICSUAM 5210.00 Prohibited Practices - 300 Appropriation of State Property or Services.

9.4.1 EQUIPMENT TRANSFERS BETWEEN CAMPUS DEPARTMENTS

When CSU equipment is transferred between departments, the transfer must be documented and properly approved by both departments. The following information should be provided: campus tag identification number, item description, and location (building, room and/or department location). The asset management system must be updated to reflect the transfer in a reasonable period of time as defined in campus procedures.

See Sponsored Programs ICSUAM 11005.00 Equipment and Property Management for grant equipment transfers between an auxiliary organization and a campus department.

9.4.2 TRANSFERS OF EQUIPMENT TO ANOTHER CAMPUS OR STATE AGENCY

When CSU, Fullerton equipment is transferred to another campus, auxiliary organization or state agency, the transfer must be documented on a campus **Property Transfer Report (STD.158 – REV.7/2000)** and properly approved by the CSU, Fullerton Property Survey Committee (PSC) and the other campus or state agency accepting the equipment.

9.4.3 PUBLIC SALES

The **Asset Management Office** must be notified of any departmental plans to sell property before the transaction takes place. The campus department will establish a fair market value of the equipment that is to be sold. For dollar limitation approvals refer to Executive Order 409 Purchase, Sale, Lease and License of Personal Property – Delegation of Authority.

The **Property Survey Committee (PSC)** will issue final approval and administer the handling of the sale and the collection of funds. The guidelines set forth ICSUAM 3102.03 - Acceptance of Cash and Cash Equivalents will be strictly adhered to while administering these types of transactions (<https://www.calstate.edu/icsuam/documents/Section3000.pdf>)

9.4.4 TRADE-IN

The Asset Management Office must be notified of any campus departmental plans to trade-in property before the transaction takes place. The campus department will establish a fair market value of the property that is to be traded-in. The Property Survey Committee (PSC) will issue final approval and administer the handling of the property that is to be traded-in.

9.4.5 DONATION

Property that is deemed suitable for donation may be donated as appropriate for the item to educational institutions, public agencies and non-profit organizations. All CSU, Fullerton property donations must be processed through the Asset Management Office. For all donations, a copy of the non-profit organization's 501(c)3 certification is to be obtained and retained with in the CSU, Fullerton Asset Management System

9.4.6 RECYCLE OR SALVAGE

CSU, Fullerton 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. The Property Survey Committee (PSC) will issue final approval and administer the proper handling of the

10.0 REPORTING AND RECONCILIATIONS

CSU, Fullerton 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 and ensuring the reporting data is available for end users throughout campus.

Depending upon the campus process for entering capital assets into Asset Management System, the campus may have to complete reconciliations to ensure that all capital assets received have been entered into the Asset Management System and capitalized.

These reconciliations should be performed in a timely manner, either monthly or quarterly depending upon the volume of property transactions. The timing requirements for reconciliations should be specified in the campus' procedures. Reconciliations will show the date prepared, date reviewed, preparer's name and signature, and the reviewer's name and signature.

11.0 DEPRECIATION

Detailed guidelines on the depreciation of assets are located in the **Capital Asset Guide** of the CSU GAAP Reporting Manual.

12.0 RESOURCES AND REFERENCE MATERIALS

[Public Contract Code 10334\(a\)](#)

[Executive Order 409](#) Purchase, Sale, Lease and License of Personal Property – Delegation of Authority

[ICSUAM 3102.03](#) Acceptance of Cash and Cash Equivalents

[ICSUAM 5210.00](#) Prohibited Practices

[ICSUAM 5303.00](#) Commodities with Special Purchasing Requirements

[ICSUAM Policy 8000 Series](#) - Information Security

[ICSUAM 11005.00](#) Externally Funded Equipment and Property Management