

## University Property Guidelines

### Objective

California State University, Channel Islands adheres to the guidelines of CSU Executive Order 649. The Accounting Department is responsible for maintaining the campus inventory control and disposition of campus property and assets. A strong campus-wide commitment and property control system is required to insure proper care and use of the University assets.

### Definitions

#### Capitalized Assets

- Any campus property, tangible or intangible (i.e., software) with an acquisition cost of \$5,000 per unit including tax, shipping and installation costs.
- Useful life of at least one year.

#### Non-Capitalized Assets

- Any campus property, tangible or intangible (i.e., software) with an acquisition cost greater than \$1,000 but less than \$5,000 per unit including tax, shipping and installation costs.

#### Accounting Records

- Listing of all capital assets for the campus, i.e., land, buildings and building improvements, equipment, Construction Work in Progress (CWIP) and library collections.
- The data stored for each capital asset includes asset tag, date acquired, description, purchase order number, life of asset, cost, location description, fund and depreciation.

#### Property Inventory Records

- Listing of capitalized and non-capitalized assets.
- The data stored includes the asset tag, date acquired, description, purchase order number, location description and fund.

#### Surveyed Property

- All capitalized and non-capitalized assets that are determined to be no longer of use to the department, division or campus, based on a variety of reasons, including out of warranty, no longer needed or used or replaced by the department.
- Departments submit a request to dispose of assets and the survey process is managed by the Property Coordinator.

#### Property Survey Board

- The duly appointed members serve and represent the campuses best interest when campus assets are surveyed.
- The board approves or denies the assets in question for reuse on campus, disposal, sale or donation.
- All campus assets that are surveyed must have a Form 152 Survey document.
- The survey board must have a fully executed Form 152 Survey document to use in their decision process.

## Responsibilities

### Accounting Department

- Provides guidelines to campus regarding correct account coding for capitalized and non-capitalized assets. (See Attachment A)
- Records the acquisition and disposals of capitalized assets. (See Attachment B)
- Reconciles accounting records with property inventory records and the general ledger.

### Property Coordinator

- Noel Buena, ext. 8551 Email Noel.Buena@csuci.edu
- Maintains the property inventory records.
- Tags equipment as it is placed in service.
  - Exception for desktop and laptop computers. This process is carried out by Academic and Information Technology (T&C).
- Oversees campus-wide physical inventory required once every three years.
- Requests, schedules and conducts the survey board meetings.
- Responsible for the final disposition of the surveyed property.
- If campus assets are sold the proceeds from the sale will be distributed as follows:
  - If the proceeds for a single item are \$1,000 or less, the proceeds will be used to offset the cost of disposals, advertising, shipping, miscellaneous supplies incurred by Accounting.
  - If the proceeds are more than \$1,000 the proceeds above the \$1,000 threshold will go back to the division's original funding source.
  - If the asset was originally funded by a contract or grant, the disposition rules of the contract or funding agency will prevail if different from above.
  - If assets were originally a gift to the Foundation and then transferred to the campus, all proceeds will be returned to the Foundation.

### Campus Departments

- Responsible for the care, control, proper use and custody of all assets assigned to them.
- Report any stolen or missing assets to the Campus Police and the Property Coordinator.
- Budget Managers, or assigned delegates, will assist the Property Coordinator during the physical inventory of capitalized equipment.
- A separate inventory of desktops and laptops is coordinated by Academic and Information Technology.
- Ensure all employees issued a campus laptop sign a Home Use Permit and forward to Judy Frazier, ext. 8402.
- Complete the required forms when any department asset is to be transferred from one location to another on campus, or when asset needs to be surveyed.
- Will secure an approval from Advancement before accepting any gift offered to the campus.
- Will identify whether the asset purchased used grant funding.

Signatures on file in Accounting Office

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Noel Buena, Property Coordinator

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Emily Deakin, Controller

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Joanne Coville, VP, F&A

## Attachment A

### Listing of capitalized asset account numbers (object codes):

607807	Furniture/Equipment	<u>over</u> \$5k
607808	Vehicles	<u>over</u> \$5k
608001	(Dept. 840 only) Library Books (all regardless of cost)	
608004	(Dept. 840 only) Periodicals (all regardless of cost)	
608005	(Dept. 840 only) Subscriptions (all regardless of cost)	
608006	(Dept. 840 only) Media (all regardless of cost)	
616004	Computer Networks	<u>over</u> \$5k
616001	Communications	<u>over</u> \$5k
616002	Desk/Lap/Peripherals	<u>over</u> \$5k
616801	Servers/Peripherals	<u>over</u> \$5k
616003	Software	<u>over</u> \$5k
619002	Instructional equipment	<u>over</u> \$5k

### Listing of non-capitalized asset account numbers (object codes):

619902	Furniture/Equipment	<u>under</u> \$5k
619903	Vehicles	<u>under</u> \$5k
616901	Computer networks	<u>under</u> \$5k
616902	Communications	<u>under</u> \$5k
616904	Servers/Peripherals	<u>under</u> \$5k
616905	Software	<u>under</u> \$5k
619901	Instructional equipment	<u>under</u> \$5k
660904	Campus Infrastructure	<u>under</u> \$5k
660905	Non-Bldg Improvement	<u>under</u> \$5k
660906	Works of Art/Historical Treasures	<u>under</u> \$5k

## **Attachment B**

### **Purpose**

To provide guidelines for recording capital expenditures and placing the capital assets into service and how to dispose of capital assets.

### **Applicability**

These guidelines apply to all assets that meet the definition of capital assets.

### **Procedure – Placing Asset in Service**

- All capital assets are recorded directly to the general ledger each month with an Accounts Payable voucher or a journal entry. These assets are coded to the capital asset accounts, by department and fund.
- Accounting will identify and analyze all capital asset transactions for appropriate coding and re-class to non-capital accounts, if necessary.
- At a minimum, copies will be made of the invoices, checks and/or journals for these transactions.
- The following data will be entered into the QuickBooks Asset Management module: asset tag , date acquired, description, purchase order number, life of asset, cost, location description and fund.
- Depreciation expense will be calculated once the asset is recorded in the asset management module.
- The campus uses a half-life depreciation methodology.
- The assets and depreciation will be recorded in the SCO fund 997 prior to year-end.
- The data in the QuickBooks Asset Management module will be reconciled with the Property Inventory records on a quarterly basis.

### **Procedure – Disposal of Assets**

- The Property Coordinator will notify the Accounting department when a capital asset has been disposed.
- All documentation relevant to the disposal will be provided to Accounting, by the Property Coordinator.
- Accounting will adjust both the QuickBooks Asset Module as well as record the disposal in SCO fund 997.