



## **PROGRAM TITLE**

### ***Equipment Management Program***

I.

#### **II. PURPOSE AND RATIONALE**

The purpose of this program is to provide information regarding SUNO's property control procedures and requirements.

#### **III. POLICY STATEMENT**

Southern University at New Orleans (SUNO) is an agency of the State of Louisiana and is required by law to regulate and control all property and equipment in its possession. Asset Management's Property Control Unit is responsible for maintaining all records regarding the acquisition, disposal, and transfer of University/State property.

No equipment or furniture, especially computers and their components should be moved, disposed of, traded in, or transferred without prior approval of the University's Materials Manager. All assets are owned by the University, assigned to departments, and recorded to the specific office in which the assets are physically located. Individuals who move assets without the proper authorization are invalidating property records and placing the University at risk of audit violations. A Property Control Action Form should be forwarded to the Property Manager before any assets are relocated; this will allow the Property Control unit to update all department inventory records.

#### **IV. SCOPE**

All offices of SUNO are required to observe the basic policy set forth herein.

#### **V. AUTHORITY**

State Statutes (Louisiana revised statute Title 39) and University regulation provides that the Office of Finance and Administration Services shall devise and install suitable systems of accounting and property management for moveable property/equipment.

**VI. DEFINITION**

Moveable property is defined as items of a nonexpendable nature costing or being valued at \$1,000 or more with a life expectancy of one year or greater. Items meeting the \$1,000 original acquisition cost/value threshold shall be tagged with an SUNO inventory number and carried on the University's inventory records. Software is not considered moveable property. However, departments should take steps to establish a record keeping system to track software acquisition in order to prevent abuse and ensure applicable programs are purchased. Copies of purchase orders and/or direct charge invoices are recommended. Each department is responsible for maintaining adequate internal records for property/equipment valued under \$1,000 in the event a claim for loss under Risk Management guidelines is required for these items. Departments are advised to familiarize themselves with requirements of the University's Office of Risk Management.

**VII. PROCEDURES**

**A. Designation of Departmental Asset Custodian**

Each department must designate a suitably knowledgeable employee as Asset Custodian. The individual must be assigned the Workday security role of Asset Custodian. Generally, the departmental Asset Custodian is responsible for coordinating the annual inventory, updating current inventory information (such as room location changes) in Workday, and acting as the administrative liaison with Property Management as well as assisting Property Management staff in the identification and tagging of equipment.

**B. Use of University Property/Equipment**

University property/equipment is to be used only in performances of University duties. It is contrary to University policy to lend University property to individuals or organizations for their personal use. With respect to this policy, particular care is to be exercised regarding use of fleet vehicles.

It is contrary to University policy for anyone to remove University property/equipment from the University premises for purposes other than University business. Request to remove equipment from University premises must be approved by the Property Manager in writing (Request for Off Campus/Home Storage of Equipment form should be utilized) prior to removal. For short term removal, such as sending equipment out for repairs, use of the Off Campus approval form is not required, as long as the department maintains sufficient documentation of same on file until the property is returned to campus (for example, repair work order and shipper's tracking information).

**C. Identification, Marking, and Tagging**

In general, Property Management staff will be responsible for affixing an SUNO property tag on equipment after items are delivered to a final location. Departments are required to assist Property Management staff by providing access to equipment and helping with technical identification. A tag will be placed on the front of the equipment near the manufacture's nameplate or logo or somewhere near the front in a position for easy scanning or visibility. Additional identifying information such as serial or model numbers will be recorded or verified at this time.

Because of surface or material conditions, certain equipment may require tag numbers to be etched, inscribed, or written with a permanent marker, paint, or other means.

If Property Management is unable to obtain access to department equipment, tags will be assigned to the equipment and issued to the Department Head or Asset Custodian along with a copy of the respective purchase order marked to identify and match tag numbers with purchase order item numbers. A Property Management file copy of the purchase order with a list of the SUNO tag numbers assigned must be signed for at the time of issue by a department representative. This file copy will be retained as a record for audit purposes. The equipment item and assigned inventory numbers will be added to the department's inventory records. It shall be the responsibility of the department to affix tags which are assigned in the manner cited above to the proper equipment. After tagging, any additional tagging information, such as serial or model numbers, building, and room location, should be forwarded to Property Management.

Departments are responsible for notifying Property Management of any equipment under their control that does not have an SUNO inventory tag if equipment is valued at \$1,000 or more.

Sensitive equipment are items prone to theft and easily convertible to personal use, the University will define sensitive equipment as the following.

- Computers
- Computer components (add-on components, purchased separate from computer)
- Printers
- Fax machines

## ***Equipment Management Policy***

- Typewriters
- Copiers (Non-leased)
- Televisions
- VCRs
- Projectors
- Laptops
- Scanners
- Lab Equipment
- Instruments (medical)
- Cameras
- Handguns
- Two-way Radios

The University will tag and maintain inventory records of all sensitive equipment with a cost of \$300.00 or greater.

### **D. Utilization of Property**

It is the responsibility of each department to provide proper and adequate care, maintenance and security for all equipment under its control in order to maximize useful lifespan and minimize loss from acts of theft.

If repairs to property or equipment are required, they should be completed expeditiously in order to maintain the property in good working condition. However, sound judgment should be used to determine whether the value of property warrants the cost of repairs.

When property or equipment is temporarily idle but required for authorized future use, it must be stored in accordance with good housekeeping practice and with adequate protection from corrosion, contamination, and damage to sensitive parts. If assistance is needed in providing proper security, the SUNO Police Department will provide advice and recommendations.

## **Equipment Management Policy**

Every effort should be made to properly utilize equipment. The practice of hoarding unused equipment is contrary to University Policy. If equipment is no longer of use to a department, it must be transferred in accordance with this policy. If equipment becomes obsolete, it must be disposed of or dismantled for parts as provided in this policy.

### **E. Disposition of Property**

Property items/equipment, tagged or untagged, may be disposed of, transferred, scrapped, or dismantled for parts only after prior approval has been attained from the State Division of Administration/Louisiana Property Assistance Agency (LPAA) through Property Management. Departments may be required to provide pictures or facilitate in-person viewing by Property Management and/or LPAA before receiving approval for dismantle or scrap.

#### **1.Data Sanitization of Electronic Media Equipment**

Prior to requesting permission to surplus or dispose of any electronic media equipment, a University Information Technology Center (ITC) technician will remove and destroy the hard drive of equipment to meet the requirement of data sanitization.

#### **2.Transfer to other University Departments**

The transfer of tagged moveable property between departments must be completed in Workday. It is the responsibility of the Asset Custodian of the department transferring the property to initiate transfer in Workday for each item being transferred. The proposed new work tags and, if known, the new location, must be indicated. The transfer will route for approval by the Manager in the transferring department, and then to the Asset Custodian of the receiving department for final approval. The receiving department is responsible for updating Workday to reflect the asset's new location.

Many departments often use interdisciplinary clearing accounts to purchase equipment, which is in turn distributed to specific department units with different accounts. Property Management must be notified at the time of tagging, prior to asset registration if ownership work tags should be different than the funding source work tags. After registration, it is the responsibility of the department to transfer assets (in Workday) to proper ownership work tags, as appropriate.

### **3. Transfer to University Surplus Warehouse**

Departments are responsible for obtaining a signed Asset Action Request form for their records when releasing moveable property to Property Management as surplus. This serves as a receipt to confirm pickup by Property Management in the event a question arises later regarding removal from inventory. Missing/Unaccounted for items will not be credited as surplus without receipt documentation.

### **4. Transfer to State Surplus Property Agency**

When departments are willing to deliver their surplus inventory directly to LPAA, prior approval must be given by LPAA through Property Management. Once approval is given by LPAA, Property Management will inform departments to deliver property directly to LPAA Surplus Warehouse. Departments are responsible for obtaining a signed receipt from LPAA Surplus Warehouse, even if items are delivered by Facility Services. Signed receipts are to be returned to Property Management to have items disposed in Workday. Failure to provide signed receipt could result in items being reported as not located in a future inventory cycle.

### **5. Transfer to Other State Agencies**

Property to be transferred to another state agency must be approved by LPAA, through Property Management. An Asset Action Request listing the property items proposed for transfer must be forwarded to Property Management, and a corresponding transfer must be initiated in Workday for any inventoried items. The name of the state agency, contact person, and telephone number are required on the Action Request. For grant/contract items, approval must be acquired from the Sponsored Program Accounting Office.

### **6. Transfer to Non-Louisiana State Institution**

Property Management must be notified in writing if equipment is to be transferred to non-Louisiana State institutions/agencies. It is the responsibility of the department to provide Property Management information on the items requested to be transferred. An Asset Action Request form is to be submitted with complete itemized list of all equipment proposed for transfer. It should be noted that this process can take several weeks. Therefore, plans should be made accordingly and allow for sufficient lead time.

- a. For items purchased with State funds**, equipment should remain with the department. If the department has no need for the equipment, department head is to contact various disciplines within

the University to see if the equipment could be of further use. If there is no need for the equipment within the University community, Property Management will seek approval from LPAA for a transfer. The receiving institution is to submit a written request indicating items to be transferred and the dollar amount the institution is willing to pay. The final decision will be made by LPAA. A check will be required, made payable to State of Louisiana-Division of Administration in the amount agreed upon between the receiving institution, the University, and LPAA. No funds will be received for the rendering department unless a special request is made to use such funds to purchase like items. The request is to be made in advance with signatures provided by the department head, dean or director, and appropriate Vice Chancellor. The request is to be forwarded to the Office of the Vice Chancellor for Finance and Administrative Services.

- b. For items purchased with Sponsored Projects funds that have expired**, in most cases the property ownership is transferred to the University. Therefore, the process is the same as with state funds when a request is made to transfer property to another institution. However, depending on the grant type, 80% of the funds generated will be kept by the University department relinquishing the equipment. For items purchased with Sponsored Projects funds whereby the grant is still active, the Granting Agency must provide a written statement to the University indicating their approval to transfer property to another institution.

#### **7.Dismantle for Parts**

An Asset Action Request form for permission to dismantle a piece of moveable property parts must be sent to Property Management prior to any action being taken. Property Management will forward request to LPAA for approval. If approved, Property Management will submit to department document indicating approval. Dismantling equipment prior to approval will result in the property being considered not located.

#### **8.Scrap**

An Asset Action Request form for scrap approval must be sent to Property Management prior to any action being taken. Property Management will forward request to LPAA for approval. If approved, Property Management will submit to the department documentation indicating approval with recommendation to scrap item(s). Departments are responsible for actual

## **Equipment Management Policy**

scrapping of approved item(s). Scrapping equipment prior to approval will result in the property being considered not located.

### **9. Stolen/Missing Inventory Property**

***Important: Notification to Property Management is required for theft of any moveable property, regardless of whether it is tagged and/or on inventory.***

If a department determines that an item of moveable property has been stolen, it must be reported to the appropriate law enforcement agency immediately (SUNOPD if stolen from campus, local law enforcement as applicable off campus). The department must promptly notify Property Management and submit an Asset Action Request form along with a copy of the police report, if available, or a case/incident number, if the report is not yet available. Once Property Management receives written notification, a copy will be forwarded to the Legislative Auditors.

SUNO Police will notify the District Attorney's office of any reports of stolen property as needed.

It should be noted that property suspected of being stolen cannot be routinely removed from departmental inventories and must be report as not located if proper reporting procedures are not followed or if evidence of some forced entry is not documented in the police report.

### **10. Trade-In of Property for Credit**

Trade in (for credit) or sale of used or obsolete equipment when purchasing similar replacement items is permitted only under certain circumstances and must be coordinated through Procurement and Property Management. Prior approval is required from the State Division of Administration/Louisiana Property Assistance Agency before a trade-in or sale can be authorized. Prior to a purchase order being created, the department is to submit to Property Management two quotes: one with an itemized trade-in credit, specifically listing the item being traded by SUNO inventory number, and/or serial number; the other quote must reflect the purchase without a trade-in. Property Management will forward approval to the department, and to Procurement, once obtained.

A department's intention to pursue a trade-in sale under this provision must be made known to Procurement at the time the original requisition is submitted.



## **Equipment Management Policy**

### **F. Gifts/Donations**

In accordance with State Property Control Regulations, all items of moveable equipment acquired by the University through acts of donation or as gifts become the property of the University, except for items donated specifically to the SUNO Foundation, which will remain the property of the Foundation. Gifts and donations must be accompanied by documentation provided by the donor indicating fair market value. However, in certain cases further evaluation of a donated item after receipt may cause for the receiving department and/or Property Management to determine a revised value for inventory control purposes. Donated items will be tagged and recorded in the inventory if value is established at \$1,000 or more. Departments receiving gifts or donations of moveable property that meet inventory requirements must directly notify Property Management in writing within ten (10) days, and provide the following information using form AS522.

1. Name of Donor
2. Item Description
3. Model and serial number (if applicable)
4. Value
5. Location
6. Date Received

Departments must take all necessary steps to ensure that items of moveable property accepted as gifts or donations have some value and will be of use to the University. Furthermore, particular care should be taken to ensure that new and/or unexpected additional costs will not be incurred by the University after receipt of an item to make it operational. This would include costs for repairs or accessories, renovations required for laboratories or buildings in order to properly house the item, and similar expenses. Property with no value or potential for use becomes a burden to the University. Because of State mandated procedures and labor costs, acceptance of junk items results in a needless expense to the University.

### **G. Annual Physical Inventory of Movable Property**

State statutes require an annual inventory of moveable property be taken by each department. The University's inventory is generally conducted between the months of February and June, inclusive of equipment acquired through December 31 of the previous year. Property Management facilitates the annual inventory process, and maintains the Inventory Scanning Application. Participation in inventory barcode

## **Equipment Management Policy**

scanning is open only to faculty, staff, and student workers that have attended the required inventory training by Property Management, offered each year. Each department is responsible for conducting its own inventory and for adhering to the prescribed inventory process in the allotted time periods. Departments must assign adequate and knowledgeable personnel to this task. Departments with significant amounts of technical, scientific and/or laboratory equipment should have staff available that are capable of identifying equipment.

Pursuant to State Property Regulations, all items that departments are unable to locate during an inventory must be carried as not located for a minimum period of three years before any action to remove them from the inventory can be initiated, unless authorized otherwise by the Property Manager. The list of not located assets is subject to detailed audit by the University's Internal Auditors and by the Legislative Auditor's Office.

### **H. Changes/Updates in Workday**

Property Management personnel will register newly acquired assets after affixing inventory tags. Other changes to the asset record in Workday, including field edits and ultimate disposal/removal will be completed by Property Management. Departmental Asset Custodians are responsible for updating location of assets in Workday as changes occur.

### **I. Motor Vehicle Reporting**

It should be noted that motor vehicles require specific maintenance schedules and maintenance recording keeping under State Fleet Management Regulations. The MV-4 (maintenance) form is to be submitted every 6 months or 6,000 miles whichever comes first. The MV-3 (daily use log) form is to be submitted monthly. Both forms are to be submitted to the Property Management Office. Forms and instructions are available from Property Management.

Motor Vehicles are considered equipment under BOP 4-2 and must be used according to this policy and State Fleet Management guidelines. Additional policies concerning vehicle can be found in PM-13m University Fraud Regulations (dated 07/01/1998) and PM-21, use of University Vehicles and Trucks (dated 05/29/1973).

If a driver of a state vehicle is involved in an accident or if using a personal vehicle while performing State business, the driver must report the accident to the appropriate supervisor. Accident Report Form must be completed within 48 hours. Likewise, drivers will be held personally liable for any parking and/or traffic violation levied against them while they are responsible for the vehicle used in performing state business.