

**Procedure Title:** Accountability for College-Owned Property  
**Procedure Number:** 04-0105  
**Originating Department:** Financial Services

**Specific Authority:**  
Board Policy 6Hx6:2.01  
Florida Statute §274, 1001.64; §1013  
Florida Administrative Code 6A-2.0010

**Procedure Actions:** Adopted: 07/1993; 08/2009; 01/20/2021

**Purpose Statement:** Protection of college-owned and leased assets is the responsibility of the college administrator to whom the property is assigned. This procedure defines the methods for proper control and accountability of college-owned and leased property

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## **Guidelines:**

This procedure encompasses all inventoried tangible and intangible personal property owned by the college.

## **Procedures:**

### **I. PROPERTY CUSTODIAN**

Property custodians are the assigned budget administrator for the department and is an employee of the college who generally is a person in a supervisory position with direct control of one or more budget accounts.

Each property custodian is responsible and accountable for college-owned and leased property that was approved for purchase, or other means of acquisition, or transferred to their department. Each property custodian is expected to exercise reasonable and prudent care of property under his or her custodianship. Property custodians may designate a proxy to fulfill the property custodian's duties such as a manager, dean, or director. However, assigning a proxy does not relieve the property custodian from their responsibilities.

### **II. PROPERTY CONTROL**

- A. College-owned and leased property encompasses tangible assets such as land, buildings, structural improvements, equipment, supplies, software, books, construction in progress and similar items. Every property custodian is responsible and accountable for the proper control and utilization of college-owned and leased assets procured by, or assigned to, him or her.
- B. College-owned and leased assets are classified into two categories as follows:
  - 1. Real Property (Land, Buildings, Construction in Progress)
  - 2. Capitalized Personal Property (Capital Outlay)

- C. Real Property represents real estate owned by the college, including buildings and fixtures thereon, and is controlled through real estate deeds and similar legal documents.
- D. Capitalized Personal Property represents any movable personal property (furniture, machinery, fixtures, equipment, supplies and similar items) costing \$5,000 or more with an expected useful life of 1 year or more. These items are formally capitalized on the college's general ledger and depreciated over their useful life. These items are reported and controlled through the use of the college fixed asset system.
- E. **FIXED ASSET SYSTEM**

The fixed asset system is an automated process for recording the acquisition, location, custody, original cost, depreciation, and ultimate disposition of College personal property.

#### 1. TAGGING FIXED ASSETS

All Capitalized Property costing \$5,000 or more will be recorded in the fixed asset system and be permanently identified (tagged) with a property number decal. The Office of Financial Services is responsible for the tagging of all fixed assets.

#### 2. RECEIVING

- a. Property that is delivered to any of the college's locations should be delivered to the person responsible for accepting the item(s) for that location and should inspect the property for obvious damage. All guidelines and procedures in College Operating Procedure 07-0701 on receiving merchandise must be followed.

- b. Receipt by Information Technology

Information Technology staff must take special care to safeguard newly acquired property valued at \$5,000 or more with a life expectancy of one year or more until the item can be recorded and physically tagged by the Office of Financial Services when applicable. The Office of Financial Services should be notified immediately upon receipt of an inventory item. Items that need to be tagged should not be deployed until properly tagged.

- c. If an inventory item must be deployed without being physically tagged by the Office of Financial Services, Information Technology must record the make, model, serial number, P.O. number, and destination location of the deployed property.

- d. Receipt by Property Custodian

The property custodian must take special care to safeguard newly acquired property valued at \$5,000 or more with a life expectancy of one year or more until the item can be recorded and physically tagged by the Office of Financial Services. The Office of Financial Services should be notified immediately upon receipt of an inventory item.

- e. **OFFICE OF FINANCIAL SERVICES**

The Office of Financial Services will tag all college-owned property for which a fixed asset property number was assigned with a pre-numbered barcode label.

### III. **SURPLUS PROPERTY**

When property is deemed by the custodian of the property to be obsolete, or the continued use of which is uneconomical or inefficient or which serves no useful function it can be classified as surplus property. Surplus property may be disposed of as follows all needed actions have been taken to write-off property as outline in Section V:

- A. Disposed of in the most efficient and cost-effective means, as determined by the Vice President of Operations/CFO or designee.
- B. With prior approval of the Vice President of Operations/CFO or designee, obsolete or inefficient property may be used as partial payment to acquire similar property that is technologically advanced or more efficient.
- C. Property deemed to have no commercial value may be donated, destroyed, dismantled for salvageable parts, or abandoned.
- D. College employees are not permitted to purchase surplus property.
- E. Disposal of property purchased with grant funds will be in accordance with the funding agency's guidelines pertaining to the grant under which the item was purchased.

#### 1. **Property Custodian**

Prepare a REQUEST FOR BOARD WRITE-OFF form identifying the surplus item to be disposed and the transfer of the item to Surplus Storage. Indicate that the item is "Surplus" in the "Reason for Write-off" section of the form. Send the intact form to the Office of Financial Services and keep a photocopy for your records. Include the transferring property custodian's signature on the bottom of the form.

- F. The Office of Financial Services will coordinate a time to remove and store the surplus item with the Facilities Planning and Management or Technology Services Department. The surplus item must remain in the assigned location until it is moved to Surplus Storage. OFFICE OF FINANCIAL SERVICES
  - 1. Inventory that is transferred to Surplus will be recorded in the fixed asset system as transferred to the Surplus Storage Facility and will become the responsibility of the Office of Financial Services.
  - 2. A property custodian may request any available surplus inventory be transferred to his or her department. The transfer must be requested by the receiving property custodian to the Office of Financial Services. Transfers of surplus inventory will be processed on a "first come, first served" basis.
  - 3. The Office of Financial Services will complete a PROPERTY TRANSFER FORM if the surplus fixed asset is being transferred to another department. The form will then be sent to the receiving property custodian for approval.
  - 4. Subsequent Board submission and formal write-off of these surplus items is covered in Section 6.0.

#### **G. FACILITIES PLANNING AND MANAGEMENT DEPARTMENT**

Upon notification from the Office of Financial Services, the Facilities Planning and Management (hereafter referred to as Facilities) staff will schedule a time to pick up surplus fixed assets (see also section 3.4 for computers and related technology). Facilities staff will not fulfill pick-up requests from anyone other than authorized Office of Financial Services staff.

1. The Facilities staff will meet the Office of Financial Services staff at the location of the item(s) to be picked up and delivered to Surplus Storage at an agreed upon date and time. Facilities staff will deliver the fixed asset item(s) to the Surplus Storage site.
2. Items with asset tags will not be removed by Facilities Staff unless a REQUEST FOR BOARD WRITE-OFF form has been properly processed through the Office of Financial Services.
3. The Office of Financial Services will have sole custody of the Surplus Storage facility. The Facilities staff is responsible for the movement of surplus items and will store and remove item(s) in the Surplus Storage facility at the direction of the Office of Financial Services.

#### **H. INFORMATION TECHNOLOGY DEPARTMENT**

Information Technology staff will schedule a time with authorized recycling vendors to pick up surplus computers and related technology fixed assets that cannot be reused (see also section 3.3 for other fixed assets). Information Technology staff will not fulfill pick-up requests from anyone other than authorized Office of Financial Services staff or those authorized by Financial Services (i.e., Recycler).

1. Information Technology staff will deliver the computer and related technology fixed asset item(s) to the IT Surplus Storage facility.
2. Computers and related technology items with asset tags will not be removed by Information Technology Staff unless a REQUEST FOR BOARD WRITE-OFF form has been properly processed through the Office of Financial Services.
3. The Information Technology staff is responsible for the movement of surplus computers and related technology items and will store and remove item(s) in the IT Surplus Storage facility.

#### **IV. TRANSFERRING OF FIXED ASSETS**

The following steps must be followed to transfer fixed assets to another property custodian or location:

##### **A. Property Custodian**

1. The transferring property custodian will prepare a PROPERTY TRANSFER FORM identifying the fixed asset item(s) to be transferred and the reason for the transfer and sends the form to the Office of Financial Services.
2. Upon notification from the Office of Financial Services, the Facilities and/or Technology Service staff will coordinate the location transfers. The fixed asset item(s) must remain in the assigned location until moved at the direction of the Office of Financial Services.
3. Upon delivery of the item(s), the receiving property custodian will accept

custodianship of the item(s) by signing underneath the transferring custodian in the appropriate section at the bottom of the PROPERTY TRANSFER FORM, BO-019.

**B. OFFICE OF FINANCIAL SERVICES**

1. Upon receipt of the completed and approved PROPERTY TRANSFER FORM, BO-019 the Office of Financial Services will update the fixed asset records to reflect the transfer and sign in the appropriate section at the bottom of the form.
2. A copy of the PROPERTY TRANSFER FORM, BO-019 will be returned to the transferring and receiving property custodian indicating the asset has been formally transferred.

**V. ANNUAL PHYSICAL INVENTORY**

**A. OFFICE OF FINANCIAL SERVICES**

1. The Office of Financial Services will maintain a fixed asset property accounting for all capital equipment and other property costing \$5,000 or more. The Office of Financial Services will also conduct a monthly fixed asset reconciliation of all college-owned property costing \$5,000 or more.
2. The Office of Financial Services will prepare an annual inventory schedule and will provide each property custodian with a listing of all items that will need to be inventoried.
3. The property custodian or designee will conduct the physical inventory on or before the date(s) scheduled on the inventory schedule
4. Any missing items on the fixed asset list that cannot be located during the physical inventory will require the property custodian to do the following:
  - a. Submit a Request for Board Write-Off Form to the Office of Financial Services, BO-020 along with a written explanation that the item was not found during the physical inventory and is presumed lost; and
  - b. Submit a Campus Police Incident Report indicating the Florida
  - c. SouthWestern State College fixed asset property tag number (if applicable), item description, last known location, serial number, and original cost.
  - d. If any items are deemed or presumed stolen during the year the property custodian must immediately report such items to Campus Police with an Incident Report. A copy of this report should be forwarded to the Office of Financial Services. The Office of Financial Services will work in conjunction with Campus Police on any corrective action.
4. Upon completion of the reconciliation of the physical inventory, the Office of Financial Services will prepare a summary memo listing the results of the annual physical inventory and submit it to the Vice President of Operations/CFO.

## **VI. PROPERTY CUSTODIAN**

Each year, property custodians will receive a notice from the Office of Financial Services that a physical inventory is scheduled for their area. The notice will be accompanied by a listing of fixed asset property items for which they are responsible and accountable. The property custodian will review the list and verify that all items are accurately reported. If the property list includes items which were transferred to another location and/or property custodian, the property custodian must complete a PROPERTY TRANSFER FORM as described in Section IV.

## **VII. INVENTORY WRITE-OFF**

### **A. OFFICE OF FINANCIAL SERVICES**

#### **1. RECOMMENDATION FOR WRITE-OFFS**

The Office of Financial Services will prepare a list of fixed asset items, which have been deemed to be traded in, stolen, missing for at least two years, obsolete, or the continued use of which is uneconomical or inefficient or which serves no useful function. This list will be attached to a Board agenda item as a recommendation for these items to be written off the college's accounting and property records. This recommendation will be given to the Vice President of Operations/CFO for recommended presentation at the next regularly scheduled Board meeting.

#### **2. BOARD APPROVED WRITE-OFFS**

The Vice President of Operations/CFO will review the listing prepared and if approved will recommend approval of fixed asset write-offs to the Board at the next regularly scheduled Board meeting. The Vice President of Operations/CFO will notify the Office of Financial Services of the items approved for write-off by the Board.

#### **3. REMOVAL FROM RECORDS**

Upon notification by the Vice President of Operations/CFO of items that were approved for write-off by the Board, the Office of Financial Services will remove the item from the active inventory records and initiate procedures to dispose of the property in accordance with state statutes, rules, and Environmental Protection Agency guidelines.

#### **4. DISPOSITION OF ASSETS**

Disposition of Board approved write-off items include transfers to other governmental units within the college district, selling them at public auction by sealed bid, or by any other manner in accordance with statutes, rules, or Board policy. The College will properly dispose of any Board approved write-off item that requires express certificate of title passing from the college or that necessitates an annual registration with a local taxing authority, i.e., cars, trucks, vans, sport utility vehicles, buses, boats, etc.