



Policy # 52007

Movable Assets Policy and Procedures

Effective Date: October 1, 2010

Reviewed Date: March 15, 2022

Responsible Office: Property Control and Receiving

Division: Finance

I. PURPOSE/OBJECTIVE

To revise the Grambling State University Property Control Department's policy and procedures on Movable Assets, in an effort to strengthen property control measures and to mitigate movable property loss sustained by Grambling State University.

II. STATEMENT OF POLICIES

A. ACQUISITION AND INITIAL VALUATION

University movable property is initially recorded at cost. "Cost" is defined as: the actual cost of the item plus all normal and necessary expenses incurred to make the asset ready for its intended use. These ancillary costs include but are not limited to: freight charges, sales/use taxes, installation, assembly and testing charges.

B. CAPITAL vs. NON-CAPITAL MOVABLE PROPERTY

Capital Assets

Items are capital if they meet the following criteria:

- Individual items that have a value of \$5,000.00 or more
(i.e. University Vehicles, laboratory equipment, Smart boards)

Non-Capital Assets

Items are non-capital if they meet the following criteria:

- Individual items that have a value of \$1,000.00- 4,999.99
(i.e. laptop computers, labelers, fax machines)

Note- All other non-capital items (with the exception of computer equipment) will be tagged with a state of Louisiana identification number.

C. IDENTIFICATION OF UNIVERSITY ASSETS

All movable property with an original acquisition value of \$1,000.00 or more and all vehicles (regardless of cost) must be physically tagged or otherwise identified as university property. Such property must be assigned a State of Louisiana identification number to be recorded by the Property Control Department on the Master Inventory Report. In addition, movable property with an original acquisition value of \$5,000.00 or more must be assigned a State of Louisiana identification number and identified with a red "capital asset" tag.

D. GRANT FUNDED EQUIPMENT

All equipment, including those items procured with Grant funds must be tagged with State of Louisiana identification.

E. TITLE III FUNDED EQUIPMENT

Pursuant to Title III of the Higher Education Act of 1965, all equipment procured with Federal Title III funds must be tagged with Title III identification and State of Louisiana identification, if applicable (applicable assets are those costing \$1000 or more). Property control of Title III equipment is governed by *OMB Circular A-110 §34F*. Specific Title III property requirements can be accessed at <https://www.whitehouse.gov/wpcontent/uploads/2017/11/Circular-110.pdf>

F. PHYSICAL INVENTORY OF ASSETS

All Deans, Department Heads, or Directors, or designees with authority to act as such, are responsible for maintaining physical inventory of their department. Management of physical inventory consists of: periodic visual inspection of movable property, verifying the location of movable property, maintaining a description of movable property and reporting any discrepancies, loss, or material damage of property to the Property Control Department as soon as practicable.

The Property Control Department initiates and supervises an annual physical inventory for all movable property owned by Grambling State University. The annual inventory is conducted for the purpose of accounting for all property held by each Department, employee, and/or student.

Grambling State University faculty, staff, and students are charged with the responsibility of safeguarding University movable property. Every Grambling State University employee should have a fundamental understanding of the basic Moveable Assets Policies and Procedures including Grambling State University's Replacement Policy. Additional information and forms regarding Physical Inventory of Assets can be found at <http://gsunet.gram.edu/docs/> under *Property Control Forms*.

F. RETENTION OF UNIVERSITY ASSET RECORDS

The Property Control Department in conjunction with every Dean, Department Head, and Director at Grambling State University is charged with retaining all documentation supporting the physical inventory of university assets (i.e. movable property). Inventory control records are maintained and kept pursuant to state regulations and

university policy and procedure. Property control records and other pertinent information shall be retained for a minimum of three (3) years. Physical Inventory policy and procedure can be found at <http://gsunet.gram.edu/docs/> under *Property Control Forms* by clicking on the *Property Control and Procedures* link.

H. NEW EMPLOYEES

Each Dean, Department Head, or Director is responsible for completing an **“Equipment Assigned to Employee Notification”** form for each new employee assigned movable property as well as for existing employees being assigned new equipment. Each Dean, Department Head, or Director should conduct a full physical inventory before a new employee is assigned new or existing equipment. Specific information and forms related to New Employee Property Control can be found at <http://gsunet.gram.edu/docs/> under *Property Control Forms*.

I. TERMINATION, RETIREMENT, RESIGNATION OF EMPLOYEES

It is the responsibility of each Dean, Department Head, or Director to conduct a full physical inventory upon the termination, resignation, retirement, or expiration of any Grambling State University employee. **“Inventory Clearance”** forms should not be signed until the last official day of employment. Specific information and forms related to Employee Property Control can be found at <http://gsunet.gram.edu/docs/> under *Property Control Forms*.

J. WHEN PROPERTY IS DONATED TO THE UNIVERSITY (GIFTS-IN-KIND)

All Deans, Department Heads, or Directors should consult university policy and procedure, regarding the acceptance of gifts by university employees on behalf of Grambling State University, prior to accepting or acquiring donations or gifts-in-kind.

Upon the acceptance of donations on behalf of the university, Deans, Department Heads, or Directors must submit the following information to the Property Control Department within twenty-four (24) hours of receipt:

- documentation evidencing the transfer of title of the donated equipment to the university,
- information providing the cost of the asset, and
- a picture of the donated item(s).

Each Dean, Department Head, or Director must notify the Property Control Department of equipment transfers from another institution or agency to Grambling State University. Unless otherwise stated, title of equipment vests with the university at the time of the

transfer. The Property Control Department will add State of Louisiana identification to equipment and record the property on the Master Inventory file.

As a general rule, all property, regardless of the funding source, procured by the University, is deemed University property with sole ownership vested in Grambling State University.

K. ASSETS DELIVERED DIRECTLY TO DEPARTMENT

All employees must notify their respective Dean, Department Head, or Director of a direct delivery. The Dean, Department Head, or Director in turn will notify the Receiving Coordinator so that the property can be properly identified and recorded, if needed. Specific information and forms regarding the Direct Delivery Procedure can be found at <http://gsunet.gram.edu/docs/> under *Property Control Forms*.

L. RELOCATING EQUIPMENT WITHIN A DEPARTMENT OR BETWEEN DEPARTMENTS

Deans, Departments Heads, and Directors are solely responsible for all equipment transferred between departments. If items are moved or transferred from one department to another, a “**Request to Transfer Equipment**” form must be completed. Specific information and forms regarding Intra-departmental Property Relocation can be found at <http://gsunet.gram.edu/docs/> under *Property Control Forms*.

M. UNUSED EQUIPMENT

Employees of Grambling State University may not store or horde equipment. Once an employee discovers sitting equipment, the Property Control Department must be notified immediately. All unused or obsolete equipment must be promptly transferred to surplus. Departments must use the “**Disposal of Equipment**” form that can be found at <http://gsunet.gram.edu/docs/> under *Property Control Forms*.

N. OBSOLETE EQUIPMENT

The Property Control Department has the sole responsibility for disposing obsolete property. Property/equipment may not be dismantled for parts or scrapped without prior approval of the Division of Administration’s Louisiana Property Assistance Agency, (LPAA), through the Property Control Department. Special arrangements for extenuating circumstances must be worked out in advance. It must be noted that no University employee can purchase or remove any item(s) that has been approved for dismantle or scrap. Deans, Department Heads, and Directors must contact the Property Control Department to ensure proper measures are taken to remove scrapped equipment. All unused or obsolete equipment must be promptly transferred to surplus. Departments must use the “**Disposal of Equipment**” form that can be found at <http://gsunet.gram.edu/docs/> under *Property Control Forms*.

O. EQUIPMENT AWAY FROM CAMPUS “Check Out”

Any Grambling State University employee that wishes to check out movable property owned by the university must make a request to the Property Control Department using the “**Off-Campus Transfer**” form. Employees are responsible for notifying the Property Control Department when they return property back to their respective departments. Specific information and forms needed to checkout university property can be found at <http://gsunet.gram.edu/docs/> under *Property Control Forms*.

P. LOST, STOLEN, OR DAMAGED PROPERTY

University property which is stolen from an offsite location while in the custody of an employee must be reported immediately to local law enforcement, the appropriate Dean, Department Head, or Director, and the Property Control Department at Grambling State University . It is the responsibility of the employee to obtain a police report from the local law enforcement agency and promptly submit a copy of the police report to the Property Control Department and Grambling State University Police Department. The President shall immediately notify, in writing, the legislative auditor, the district attorney of the parish, the designated University of Louisiana System administrator, and the third-party administrator’s claim department.

An investigation will be conducted to determine whether an employee contributed or caused the loss, theft, or damage to University property. Pursuant to Grambling State University’s Replacement Policy, employees may be held liable for loss, theft, or damage to university property.

Accountability and caution is the key. It is the fiduciary duty of each stakeholder to safeguard all assets of Grambling State University. Specific information and forms regarding lost or stolen property can be found at <http://gsunet.gram.edu/docs/> under *Property Control Reporting Misappropriations of University Assets Policy*.

Q. REPLACEMENT POLICY

Grambling State University has effectively adopted the position of the Louisiana Office of the Attorney General, as stated in Opinion 10-0078, regarding the replacement of lost or stolen property held by university employees.

Any property that is issued to an individual employee or department will be described in detail in the “Equipment Assigned to Employee Notification” form provided by the Property Control Department.

Each Dean, Department Head, Director, or individual employee who is issued university property, must sign and date the form, acknowledging his/her obligation to maintain university property, the responsibility of reporting the loss, theft or damage of property while in his/her custody, and the liability associated therewith.

If equipment is damaged, employee must notify his/her supervisor immediately. Employee must provide a written incident report for supervisor. The supervisor must forward copies of the report to Property Control Department and Office of Safety and Risk Management. The Director of Safety and Risk Management must file a claim with the Louisiana Office of Risk Management according to state guidelines. Louisiana Office of Risk Management will assign a claim number and notify Grambling State University Office of Safety and Risk Management, in writing, the insured amount to repair/replace damage equipment. The Director of Risk Management must notify the supervisor with the amount allowed by insurance. The supervisor will obtain quotes and proceed to repair or replace equipment immediately.

If, upon investigation of an incident of loss, theft, or damage to university property, an employee has been found grossly negligent, based on the totality of the circumstances, that employee may be responsible for replacing the item, which was lost, stolen or damaged at current cost.

Generally, the loss or theft of movable property (i.e., laptops, projectors, etc.) during out-of-town travel, or from vehicles, or hotel rooms, or from a general failure to lock item(s) in a secure location will be construed as “grossly negligent” conduct, which may result in replacement liability. Failure to submit a timely police report of the incident may also trigger replacement liability.

The Replacement policy shall be enforced by payroll deduction. “Replacement” is defined as: full reimbursement of the same kind and quality of item at current cost.

Louisiana Office of the Attorney General Opinion 10-0078 can be viewed in its entirety at: <https://www.ag.state.la.us/Opinions>

III. REVISION/REVISED HISTORY

May 3, 2021- Revised

October 1, 2010-Effective Date