

UWF INTRANET

# **Financial Services**

## **PROPERTY MANUAL**

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### INTRODUCTION

This Property Manual is to be used as a guide to assist departments in managing University property.

The Property Section is located within Financial Services and is responsible for assisting departments with all property issues. The Property Section records all

property transactions, such as new acquisitions, inventory, transfers, surplus, insurance, etc.

Florida Statute 273 defines property as equipment, fixtures and other tangible personal property of a non-consumable and non-expendable nature. Property with a value or cost of \$5,000 or more and a normal life expectancy of one year or more is considered an operating capital outlay (OCO). It is necessary for the University to maintain a single official property record for all capitalized property in order to assure compliance with required financial reporting, and to ensure that accurate accounting and budgeting principles are utilized. To this end, capitalized assets are tracked in the Banner fixed asset inventory system and subject to annual physical inventory by Financial Services personnel. Assets not meeting the criteria for capitalization are generally expensed in the period acquired.

- The University is required to abide by the applicable rules and regulations for property as set forth in the Florida Statutes, Florida Administrative Code, and the Rules of the Auditor General and Chief Financial Officer. In accordance with these rules and regulations, all property purchased with university funds remains the property of the university until properly disposed of in accordance with this manual. The capitalization threshold does not impact the department's responsibility to use the survey process for elimination of surplus property.

## **METHODS OF ACQUIRING PROPERTY:**

**Purchase** - Property procurement must be in compliance with applicable State Statutes and Regulations, and in accordance with the established University policies and procedures. Freight, installation, and other charges incurred in

obtaining and placing the item(s) in service are included in the acquisition cost. These costs will be considered in determining whether a purchase is expense or Operating Capital Outlay (OCO). OCO must be purchased on a purchase order and may not be purchased with a Purchasing Card.

**Gifts and Donations** - Gifts and donations of property to the University from individuals, organizations, or corporations are received through the UWF Foundation, Inc. The Foundation transfers ownership to the University and notifies the Property Section when a gift or donation has been accepted on behalf of the University. Information regarding a gift or donation should include the description, the location, an estimate of the current fair market value, the name of the receiving department and the individual who accepted the donation, and any other information required by the UWF Foundation.

**Fabrication** - Equipment, any portion of which was fabricated from materials and/or property purchased from University funds, is the property of the University and must be reported to the Property Section for processing in accordance with University property procedures. All purchases of the components to construct tangible personal property should be purchased as either expense or OCO by considering how the item would be purchased as a fully assembled unit.

**Loan, Rent, or Lease of Equipment** - Equipment acquired in a rental or lease agreement is not property in the sense of this policy since the University acquires "use" only and, in some instances the right to purchase, but not title to the property. All such property must be acquired through the Office of Procurement Services. The Property Section should be contacted to help coordinate insurance, protection from loss or other accountability issues. A written lease agreement should be executed and signed by a University official with contracting authority, and a copy forwarded to the Property Section.

**Bonus** - Property acquired as a bonus should be reported to the Property Section.

**Trade-In** - Property acquired through a trade-in (or exchange) is subject to the following University procedures for processing newly acquired property:

- The Department should complete a Property Survey Request through RoutIt for consideration by the Property Control Board.
- Requests approved by the Property Control Board will be forwarded to Procurement and will be incorporated into the Purchase Order for the replacement property.

**Discovery** – Untagged items that meet the definition of Reportable Property or items that are tagged and not reported on the department’s inventory list should be reported to the Property Section. The Property Manager will notify the Department Coordinator to initiate a Property Transfer Form or obtain other appropriate documentation.

### **ITEMS COSTING LESS THAN \$5,000 (Non-Capitalized Property):**

**Furniture, Fixtures and Equipment (FFE)** includes furnishings, fixtures, and equipment necessary to equip offices and classrooms, building renovations, or additions for student and administrative use. Examples of FFE items include: desks, chairs, tables, office furniture, computers, software, cafeteria tables, and audio-visual equipment. FFE covers a wide range of items and varies with the particular activity; however, many FFE items individually cost less than \$5,000 and are not capitalized.

- **Responsibility** - Furniture, Fixtures and Equipment (FFE) costing less than \$5,000 may be tagged at the Department’s discretion with a Non-Capitalized Property tag. In this instance, the Department Coordinator within each University Department is responsible for the tagging, recording and monitoring of non-capital property. Non-Capitalized Property tags will be provided by the Property Section upon request.
- **Tagging** - Tags should be uniformly located on similar types of property. Contact the Property Manager for assistance.

- **Off-Campus Use** - Non-capitalized equipment may be removed from University premises for official University business only - not for personal use. Pre-approval should be documented on the appropriate University form and retained by the department for audit.

## **ATTRACTIVE ASSETS:**

**Attractive Assets Defined:** Due to their sensitive, portable, or theft-prone natures, certain items with a value less than \$5,000 will be subject to control. These are called attractive assets. An attractive asset is one that: 1) has an original cost between five hundred dollars (\$500) and five thousand dollars (\$5,000), 2) has a useful life of one or more years, and 3) is highly desirable and easily transported. Examples include but are not limited to:

- Artwork
- Cameras, camcorders, and photographic projection equipment
- Communications equipment (e.g. Cellular Phones, PDAs, smart pads (e.g. iPad), etc.)
- External CD Burners/Writer
- Fax Machines
- Flat Screen Monitors and Specialty Monitors
- Hand-held gauges and testing devices
- Laboratory equipment
- Mobile/Portable Computer Systems – laptops, notebooks, netbooks, tablets
- Optical devices (binoculars, telescopes)
- Portable video projectors
- Printers
- Radios and repeaters
- Scanners
- Televisions, VCRs, DVD player, radio, etc.
- Video Cameras: digital and camcorders
- Weapons and firearms

‘Attractive assets’ will not be capitalized, but must be monitored by the Department. Methods of tracking these attractive assets are at the discretion of the Division Head, Dean or Department Head.

**Considerations:**

- Security of data is of considerable importance when discussing items which are attractive and easily removed from campus. There are locking features on various data storage devices, such as iPads and cell phones, which must be implemented, when available, on all such items storing university data. When items are ordered with commodity codes linked to attractive assets with data storage capabilities, an email will be automatically generated detailing the purchaser’s responsibility for the use of lock down features. Instructions as to the use of those lock down features will also be provided. In addition, ITS will periodically review a list of purchased electronics for data storage devices and maintain an active list of these items.
- The University may obtain insurance coverage for electronic data processing equipment (EDPE). In order for items to be insured, certain information must be supplied to and maintained by Financial Services. (Reference the form or location)
- Attractive assets will not be tracked centrally. Individual departments are responsible for oversight of “attractive assets” and data storage devices. The department will maintain a master list of attractive assets, and will have the option to expand that list to include other items if desired.
- A sample format is provided for recording attractive assets. The department may wish to modify the format to suit its needs. At a minimum, this format will include the type of item, serial number, and the person to whom that item is assigned.
- Attractive assets must be tagged with property tags identifying the item as the property of the University of West Florida. These tags will be differentiated from property tags identifying items costing more than \$5,000

which are subject to annual physical inventory by UWF Property Department. Tags may be obtained by contacting the Property section in Financial Services.

- Assistance will be provided to the departments regarding physical security of assets, as requested.

## **TAGGING OF CAPITALIZED PROPERTY**

- **Responsibility** - The Property Section is responsible for capitalizing and tagging all property received costing \$5,000 or more. Departments are responsible for notifying the Property Section if an item costing \$5,000 or more does not have a tag.
- **Tagging** - Tags should be uniformly located on similar types of property and should be in an easily accessible location for scanning purposes.

## **PROPERTY INVENTORY - CAPITALIZED PROPERTY**

A physical inventory will be conducted each year and/or whenever there is a change in Accountable Officer. The departments are required to assist in locating items to be inventoried. The annual inventory is a continuous process throughout the year and is completed by June 30 of each year.

The inventory data will be recorded into the Banner Fixed Assets Module. Query access to departmental equipment inventories is available under the Banner Information Navigator Menu in Argus. Department Coordinators are responsible for reviewing their inventory reports and sending corrections to the Property Section no less than annually or upon the change of administrative personnel.

**Equipment located at off-campus sites** will be inventoried by the Property Manager upon notification. If the Property Manager is unable to visit an off-campus site, the Accountable Officer or the Department Coordinator will be

given a list to conduct the physical inventory. When the physical inventory is completed the Accountable Officer should sign the inventory list and return it to the Property Section.

**Personally-Owned Property** – University staff members who have personal property on campus should clearly identify on the equipment the name of the owner and that it is not University property. This will simplify the inventory process and reduce the possibility of the equipment being inventoried in error.

**Library Inventory** - The catalog and inventory control records maintained by each publicly supported library will constitute the property record of hardback-covered bound books with a value or cost of \$250 or more in lieu of an annual physical inventory. All books identified by these records as missing will be traced and reconciled by Library staff, and the library inventory will be adjusted accordingly.

#### **PROPERTY TRANSFERS - CAPITALIZED PROPERTY:**

**Change in Accountability** - A Property Transfer Form is to be completed when property items are transferred between University departments regardless of value or condition. The form is to be initiated by the transferring department and must be signed by both the transferring and receiving Accountable Officers before being forwarded to the Property Section.

**Change of Location** to another building within a Department - An E-mail message from the Department Coordinator to the Property Manager will suffice in changing the physical location of equipment. The property tag number and the new location must be included.

## **DEPARTMENTAL MOVES ON CAMPUS - CAPITALIZED PROPERTY:**

When a department is relocated, the Accountable Officer is responsible for submitting appropriate property forms to relocate and/or survey all affected property. The Property Manager may conduct a property inventory for verification and update of official records.

## **CANNIBALIZATION - CAPITALIZED PROPERTY:**

**Authorization** –The Property Control Board may authorize the cannibalization of equipment if it is in the best interest of the University. The Accountable Officer must process a Survey Request form through RouteIt prior to cannibalization.

**Notification of Decision** – The department will be notified through RouteIt of the approval/disapproval of each request to cannibalize property. RouteIt will generate an affidavit for each item approved for cannibalization. The Accountable Officer will be responsible for completing the affidavit after the property is cannibalized and for the proper disposal of any residual pieces as recommended by the Property Control Board.

## **OFF-CAMPUS USE OF CAPITALIZED EQUIPMENT:**

Equipment removed from campus or other University facilities during the normal course of business by University employees, Board of Trustees, and students with authorization from the Departmental Accountable Officer will be the responsibility of the Accountable Officer of the department.

A Departmental Check-Out Log must be maintained by the Department Coordinator for the off-campus use of university property for periods of one to ten days. This log must be available for review upon request by the Property Section, State Auditor General or the Internal Auditing and Management Consulting Department.

A Check-Out Form must be completed, signed and a copy submitted to the Property Section before property is removed from University premises for periods in excess of ten days. After the property items are returned, the Department Coordinator should notify the Property Manager by sending the completed Check-Out Form to Property in Building 20-E.

Equipment removed from University premises must be made available for the University's annual inventory and for inventory by the Auditor General or Internal Auditing's staff upon request.

All University owned equipment must be returned to the Department upon an employee's separation from employment. The Department Coordinator should verify the return of the property and notify the Property Section. The employee's Separation Clearance Form will be signed by the Property Manager when evidence is received that all checked out equipment has been returned.

#### **SURPLUS PROPERTY:**

***UNIVERSITY PROPERTY MAY NOT BE DISPOSED OF WITHOUT THE AUTHORIZATION OF THE PROPERTY CONTROL BOARD.***

**Property Control Board** – Authorizing the disposal of University property is the primary responsibility of the Property Control Board. The committee meets to review property that has been surveyed by the departments and recommends the disposition of the items.

**Reasons for Surveying Property** - The following are the most common reasons for surveying property: (1) excess to the department's needs, (2) damaged, (3) worn out or obsolete, (4) usable only for cannibalization by department, (5) uneconomical to repair, and (6) trade-in.

**Survey Request** - The Accountable Officer should submit a Property Survey Request through the RouteIt system requesting release of accountability and to have the item removed from the department. The Property Manager will initiate a TMA Work Order for all approved requests. Materials Management will relocate the property to Building 95 or other appropriate location.

**Preparing Hard Drives for Surveying** - Many of the electronic files on UWF's computer equipment are considered electronic "records" under Florida Law. It is the responsibility of the department requesting the survey of computer equipment to transfer any electronic records to a disk, new computer, or ensure such files are disposed of in accordance with the University's procedures for records disposal. Departments should contact the Department of Records Management for guidance related to records retention and disposal requirements. University-owned computers (including personal computers, laptops and servers) must have all institutional data and licensed software programs securely erased from the device prior to property surplus pickup. As part of property survey preparations, the property coordinator for a department must contact the ITS Help Desk (IHD) and request a secure hard drive erase. IHD staff (or an appropriate designee) must approve the request in RouteIt when the work is completed. Computers will not be picked up for survey until the hard drive or drives have been properly erased and labeled.

**Methods of Disposal** - Facilities Management will have the responsibility for the disposition of Property as directed by the Property Control Board. Documentation of disposition of all surplused property will be provided to the Property Accountant.

**Disposition of Monies Received from Surveyed Property** – Any monies received from the sale of surplus property will be used in accordance with Florida Statutes.

### **MISSING PROPERTY:**

Equipment that is not located during the annual inventory will be reported as missing and the Department Coordinator must complete a Missing/Stolen Property Report. The form must be signed by the Accountable Officer and Dean/Department Head. For items costing \$2000 or more, the form must also be signed by the appropriate Vice-President. The completed form should be sent to the Property Section within 15 days from the date of discovery. Any item that has been missing for two consecutive inventory periods will be submitted to the Property Section for write-off approval by the appropriate Vice President. Until such approval is received, the property will remain on the Accountable Officer/Project Director's inventory. Equipment will not be considered for write-off until a completed Missing/Stolen Property Report has been on file for two consecutive inventory periods.

Any property previously written-off that is subsequently located will be reinstated.

### **STOLEN PROPERTY:**

**Notification of University Police and Property Section** - The Department Coordinator or Accountable Officer is to immediately notify the University Police and the Property Section when it is discovered that property has been stolen. A Missing/Stolen Report must be completed by the Department Coordinator and forwarded to the Property Section. The forms may be obtained from the Property Section or on the Financial Services website. The University Police will send a copy of the completed police report to the Property Section.

Any stolen property determined to be unrecoverable is subject to immediate write-off.

**Employee Negligence** – When there is reasonable cause to believe that any University property has been lost, stolen, damaged, or destroyed through the negligence or fault of an employee, the appropriate Vice President shall be notified.

### **PROPERTY INSURANCE:**

Each department must immediately contact the Property Section if any property or building sustains damage. The Property Section will notify other departments as appropriate. Photographs of the damage should be taken as soon as possible to evidence the level of destruction/damage. These photos should be clearly labeled as to the location and date taken, and forwarded to the Property Section.

In the event of a disaster such as a hurricane, the University will mobilize teams to assess damages and initiate repairs on a campus-wide basis. Special procedures will be announced to the campus community.

### **ELECTRONIC DATA PROCESSING EQUIPMENT (EDPE) INSURANCE:**

EDPE items which have been capitalized (items costing \$5,000 or more) are insured under the University's EDPE insurance policy. Un-capitalized EDPE items (generally, items costing less than \$5,000) may be insured under this policy by submitting a request at the following link:

EDPE Insurance Coverage Request

This policy covers computer equipment for replacement/repair due to loss or damages for certain perils (including theft) not covered by the State Risk Management Trust Fund property insurance. Cost of the items and the policy deductible should be considered before requesting coverage for items costing less than \$5,000.

## **GRANTS, CONTRACTS AND SPONSORED RESEARCH PROPERTY ITEMS:**

**Property Policies** - Property policies, administration, and control procedures in this manual are applicable to property purchased by Grants, Contracts, Seed Accounts and other Sponsored Research funds. These policies and procedures supplement, but do not restrict, void, amend, modify or, in general, inhibit implementation of such terms stipulated by the contract or grant.

## **DEFINITIONS AND TERMINOLOGY:**

**Abandoned Property** - Abandoned property is any tangible personal property that does not have an identifiable owner. This property has been disposed of on public property in a wrecked, inoperative, or partially dismantled condition or which has no apparent intrinsic value to the rightful owner. (705.101 (3) Florida Statutes)

**Accountable Officer** - The individual delegated by the custodian as having immediate control of, and accountability for, specific items of property. Typically, the Accountable Officer within the University would be a department head, or Principal Investigator administering a contract or grant project for property acquired by or assigned to the contract or grant project. The Accountable Officer may delegate authority to the Department Coordinator, but maintains overall responsibility for the property.

**Cost** - The acquisition or procurement cost, i.e., invoice price plus freight, installation charges less any discounts plus attachments and trade-in value received, if any.

**Custodian** - Any person entitled to lawful custody of property owned by the State. The University President is custodian of all UWF property pursuant to Florida Statutes. The President has delegated this authority to the Vice Presidents with authority to further delegate to Deans, Directors, and/or Department Heads.

**Department Coordinator** – The individual assigned by the Accountable Officer to oversee the recordkeeping of property and assist the Property Coordinator with physical inventory.

**Expert Reviewer** – A technically proficient person designated by the Property Control Board to act as an advisor regarding the value and disposition of property. Reviewer areas of expertise are Athletic Equipment, Audio Visual, Computer Equipment, Furniture/Fixtures, Miscellaneous Equipment, Vehicles (Auto, Marine, and All Terrain), and Scientific Equipment. Each Expert Reviewer must physically inspect and approve property to be surplus and/or provide recommendations for alternate disposition.

**Fixed Capital Outlay (FCO)** - Fixed capital outlay means real property (land; buildings, including appurtenances; fixtures and fixed equipment; structures, etc.). This includes additions, replacements, major repairs, and renovations to real property that materially extend its useful life or materially improve or change its functional use. Furniture and equipment necessary to furnish and operate a new or improved facility may also be classified as fixed capital outlay. Storage sheds and building improvements with a cost of less than \$50,000 will be expensed in the year of purchase and will not be capitalized.

**Furniture, Fixtures & Equipment (FFE)** – Furniture and fixtures include such items as desks, chairs, carpets, showcases, and display fixtures. Equipment covers a wide range of items that vary with the particular associated activity. Many of these items typically have a unit value of less than \$5,000.

**Operating Capital Outlay (OCO)** - Equipment, fixtures, and other tangible personal property that are not consumable or expendable, the value or cost of which is \$5,000 or more and the normal expected life of which is one year or more. Also hardback-covered bound books that are circulated to students or the general public, the value or cost of which is \$250 or more, and non-circulated hardback-covered bound books the value or cost of which is \$250 or more.

**Principal Investigator** - The individual who is responsible for a specific grant or contract. This person is the Accountable Officer and is responsible for all property purchased or acquired for the grant or contract.

**Property** - All tangible personal property owned by the state. (273.01 Florida Statutes)

**Property Accounting Section** (Referred to as "Property Section" in this manual) – A section within Financial Services that is responsible for the accounting for all capitalized University property.

**Property Manager** - An employee of Financial Services who is designated to manage and keep records as to the assignment, accountability, transfer and disposal of property for which the University has custody. This person also serves as secretary on the Property Control Board.

**Property Control Board** - A committee, appointed by the University President or designee for the purpose of reviewing survey requests, approving or disapproving of classification of property as surplus and making recommendations as to the disposition of certified surplus property. This board must insure that accountability for the disposal of equipment will be in

compliance with Chapter 273 of the Florida Statutes -- State Owned Tangible Personal Property.

**Reportable Property** - Fixed Capital Outlay with a cost of \$50,000 or more, and Operating Capital Outlay with a value of \$5,000 or more. Items are annually inventoried and reported as University assets.

**Surplus Property** - University owned tangible personal property may be classified as surplus when it is excess, obsolete, damaged, uneconomical or inefficient for continued use.

**Tangible Personal Property** - All personal property, other than real estate, acquired by and belonging to the University.

#### **ACCOUNTABLE OFFICER'S RESPONSIBILITY:**

Responsible for all University property that is assigned to the department, contract or grant, regardless of value.

Ensures that property is physically protected against loss or damage. For questions or assistance with protecting property contact Facilities Management.

Determines that the assigned property is used solely for the benefit of the University.

Responsible for the timely submission of the various property control forms.

Maintains Departmental Check-Out Log and Equipment Check-Out Form for all University property (regardless of value) that is removed from University facilities. These forms are generally used when equipment is taken to off-campus locations.

Notifies the Property Section when there is to be a change in the Accountable Officer for any department or project.

Notifies the Property Section when the department is relocated on campus.

Notifies the University Police and the Property Section immediately when it is discovered that property items are missing or stolen and completes a Missing-Stolen Survey Report.

Notifies the Property Section when damage occurs to any University owned property.

### **MOST COMMONLY ASKED QUESTIONS:**

**Question:** The cost of the item is listed as \$xxxx and I know that the item is not worth that much, so why does my inventory report show that amount of money?

**Answer:** The cost of an item does not decrease as its age increases. The University records depreciation as a financial transaction that does not decrease the original cost of any specific item.

**Question:** An item cost less than \$5,000 and is not on my inventory. It's not any good; can I just throw it in the trash?

**Answer:** No. You are still responsible for the item. In order to dispose of the item you must submit an electronic Property Survey Request form through RouteIT.

**Question:** I need to get rid of an old desk. It's not worth \$1. Do I really need to complete a Property Survey Request form?

**Answer:** Yes, if UWF owns it, UWF needs to know that you want to get rid of it and must approve of the disposal.

**Question:** My laptop was stolen from my office/lab/restaurant booth! What do I do?

**Answer:** For an off-campus-theft: Contact the local police. For an on-campus theft: Contact the University Police. In either case you will need a copy of the police report to accompany the Missing/Stolen Report to be submitted to the Property Section.

**Question:** Where do I affix the UWF barcode tag?

**Answer:** Tags should be uniformly located on similar types of property and should be in an easily accessible location for scanning purposes. For further clarification contact the Property Section.

**Question:** Oops! I affixed the wrong tag to an asset. What do I do?

**Answer:** Contact the Property Section immediately. The Property Manager will reissue a replacement tag.

**Question:** The equipment I use was purchased with my grant/contract or seed account funds. So, does the property belong to me?

**Answer:** No. The equipment is the property of the University. If the grant/contract was issued to the University, then any equipment purchased with those funds becomes the property of the University.

**Question:** What is “capital” equipment?

**Answer:** Capital equipment is equipment purchased by the University that has a unit cost of \$5,000 or more and a useful life of at least one year.

**Question:** Do I have to inform the Property Section when I move capital equipment from one location to another, or transfer it from my department to another department?

**Answer:** Yes! In order for us to keep the University’s fixed assets system up-to-date, we need to know when equipment changes location so we can update that information in the system. Complete a Property Transfer Form, obtain all required signatures and forward to the Property Section.

**Question:** How do I get rid of equipment that my department doesn't want anymore?

**Answer:** Complete a Property Survey Request Form in RouteIT. The Property Manager will initiate a TMA work order for the property to be picked up and removed.

**Question:** I can not find a piece of equipment. What should I do?

**Answer:** Report it as missing, complete a Missing/Stolen Property Report and submit to the Property Section. If you think the item was stolen report it to the University Police.

## **CONTACT INFORMATION:**

Property Section  
University of West Florida  
Building 20E  
11000 University Parkway  
Pensacola, FL 32514  
Phone: (850) 474-3113  
[property@uwf.edu](mailto:property@uwf.edu)

[Regina Bell](#), Property Manager, (850) 474-3113

Please call (850) 474-6011 for questions about when property is scheduled to be picked up.

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