



POLICY NUMBER: SLCC-FM-400

POLICY AND PROCEDURES MEMORANDUM

<p>Title: Property Control and Fleet Management Policy and Procedures Effective Date: July 1, 2012 Review Date: Cancellation:</p>

Property Control and Fleet Management Policy and Procedures

Purpose

These procedures are written to clearly define the process, under state and local laws and regulations, of possessing, managing and reporting property belonging to South Louisiana Community College (SLCC). Procedures will also define the responsibility of the Property Manager and employee/department in reference to property control and fleet management.

Scope

All campuses of SLCC are required to observe the policy set forth herein. All employees of SLCC are custodians of college property. Appropriate administrators are responsible for ensuring that all employees in their units are familiar with this policy under the direction of the Property Manager.

Effective Date

July 1, 2012

Property Manager Responsibilities

The SLCC Property Manager will report to the SLCC Director of Facilities and will be responsible for the following:

- Tagging newly acquired capital equipment with a tag number unique to the physical location of the asset and then recording item in the Louisiana Property Assistance Agency (LPAA) asset management system at valued cost.
- Overseeing and conducting annual physical inventories of all moveable and capital equipment in accordance with the LPAA guidelines. Preparing and submitting all required documents for LPAA Certification of Annual Property inventory for each college site within designated dates. Each campus will assign a contact person responsible for assisting Property Manager with implementing property policy and procedures and fleet management.
- Maintaining accurate records of moveable and capital equipment with all pertinent information such as location, acquisition date and value, and betterment or upgrades.
- Facilitating annual audits, including those conducted by the Legislative Auditor's Office (involving college assets) and LPAA.

- Overseeing and evaluating disposition of all assets in accordance with LPAA guidelines.
- At fiscal yearend, total cost of acquisition must be reconciled to total capital expenditure for year- jointly with comptroller's office.
- Processing procurement of a rental vehicle upon appropriate administrative authorization.
- Ensuring that records and maintenance of all vehicles owned by the college are current and accurate (MV-3, MV-7, etc.) and responsible for verifying that drivers using college vehicles or rentals are authorized according to Office of Risk Management requirements.

Employee's Responsibilities

- All SLCC employees are responsible for safeguarding property belonging to the college. Whenever an employee has knowledge of or reason to believe property belonging to the institution has been lost, stolen, damaged or destroyed through vandalism, fire, etc., they shall immediately notify a supervisor. The supervisor shall immediately notify the Property Manager and follow up with a written report.
- Each employee/department will be held financially accountable for the property in the work area. The Property Manager will maintain a detailed list of all equipment assigned to an employee/department and a copy will be provided to the employee/department. Any property transferred to another area (department/campus) requires authorization from the Property Manager using a Property Transfer Form.

Acquisition and Initial Valuation

The college's fixed assets are initially recorded at cost. "Cost" includes 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, assemble and testing charges.

Identification of College Capital Assets

All assets with an original acquisition value of \$1000.00 or more and all vehicles must be physically tagged with property location and the assigned identification number recorded on the master inventory report.

Capital/Non-capital Equipment

Sales/use tax, freight, and installation costs associated with any capital purchase are considered part of the value of the equipment.

- Items are **capital** assets if they have a value of \$5000.00 or more.
- Items are **non-capital** assets if they have a value of \$1000.00 to \$4999.99.
- Any other non-capital, non-computer asset will be tagged with a property location tag. This can only be processed if a purchasing document is available.

Moveable Property

The State of Louisiana regulates and issues the parameters that define moveable property for inventory purposes. Current law defines moveable property as items that are not expendable or items that are not consumable. Moveable property cannot be permanent installations or fixtures. Moveable property has an original acquisition cost or current valuation of one thousand dollars (\$1000) or more. The policy is to tag items that meet the \$1000 acquisition cost/value (including donations) with a State of Louisiana inventory number. The state does not consider computer software moveable property for inventory purposes; however, the recommendation is that departments take steps to establish a record-keeping system to track software acquisitions, in order to prevent abuse and to ensure that the software is applicable and appropriate.

Use/Care of Property

Acquired property is only for the performance of campus duties. Furthermore, the campus policy does not permit the lending of property to individuals or off-site organizations and does not permit members of the faculty or staff to use campus property for personal business. For the purpose of emphasis on particular items with respect to this policy, special care and attention should be exercised regarding the prevention of improper use of motor vehicles, computer/technology equipment, and copy machines.

Policy does not allow anyone to remove campus property from the building or grounds of the campus for purposes other than approved college activities. All requests for removal of property must follow all requirements for such outlined below.

It is the responsibility of each department to provide proper care, maintenance and security for all equipment under its control in order to maximize useful life span and minimize loss from acts of theft or exposure to the elements. It is particularly important to provide security and protection against theft. Certain items such as computers and other technology related equipment require special precautions.

When property is temporarily idle but will be required for authorized future use, it must be stored in accordance with good housekeeping practice and with adequate protections from corrosion, contamination, and damage to sensitive parts. **The practice of "stockpiling" unused equipment is contrary to LPAA policy.** If equipment is no longer of use to a department, a transfer form should be completed according to this policy. If equipment becomes obsolete, "wears out", or the repair cost exceeds its value, it **must** be disposed of or dismantled for parts as provided in this policy.

Physical Inventory of Capital Assets

Physical inventory consists of the sighting of all assets, verifying their location and description and reporting any discrepancies. Annual physical inventories will be conducted and supervised by the SLCC Property Manager with support from the campus contact according to the appropriate annual LPAA certification timeframe dates.

New Iberia (91200) - February

Ardoin (48000) - April

Crowley (83600) - April

Opelousas (90600) - July

SLCC Devalcourt, New Iberia, Franklin (23000) - August

Ville Platte (95500) - August

St. Martinville (28800) - September

Abbeville (35200) - December

Relocating Equipment within Department/Between Departments

If equipment is transferred between departments/campuses, all property control information/records on the item remain the same with indication of the change in location and transfer of custody to the acquiring department. Departments transferring capital equipment within their department or to a different department (building to building, room to room) are required to complete a Transfer of Equipment form noting the change in location and/or custody of asset(s).

Retention of College Asset Records

The Property Manager will retain all documentation supporting the physical inventory of all college assets as required by LPAA. All property control records and other pertinent records shall be retained for a minimum of three years.

Acquiring and Tagging New Equipment

When property department receives equipment on a college purchase order, review of such determines capital/non-capital equipment. When equipment costing \$1000-\$4999 is received, the Property Manager will ensure that the appropriate State of Louisiana property location tag number is affixed to the equipment and any other appropriate tags if purchased with other funds requiring special designation (Perkins, HGEI). The specific grant coordinator will have the primary responsibility of affixing an appropriate grant tag to assets requiring tags.

The Property Manager must place a state identification number on movable property within sixty (60) days of purchase.

Once equipment is tagged, department is notified that the equipment is ready for pick up or delivery. All departments must sign that equipment has been received.

Equipment is recorded on monthly acquisition log by Property Manager and is reported to LPAA via online asset management system.

Donated Property (Gift-in-Kind)

The department acquiring the gift must obtain all documentation transferring title of equipment to the college. The SLCC Foundation notifies the Property Manager to verify if the equipment needs to be tagged. If the donated equipment has a value of \$1000 or more, a State of Louisiana tag is affixed to asset.

Regulations for Disposing, Dismantling, and Transferring Property

Property items (tagged or untagged) may NOT be disposed of (scrapped, dismantled for parts, transferred, traded) or otherwise released from the custody of the college in any manner until it has prior approval from the State Division of Administration- LPAA through the Property Manager. An employee/department must submit the request using a Property Transfer Form to include the following: inventory (tag) number, brief description of item, model number (if applicable), serial number (if applicable), recommended disposal (scrap, dismantle, broken, internal transfer, obsolete, etc.), and current location of property.

The transfer of property within the same college department does not require the completion of a transfer form; however, a transfer of property between different departments does require the completion of a transfer form.

Due to the potential for problems arising in conflict of interest areas, careful judgment is encouraged when handling property items or other miscellaneous items approved for scrap disposal or dismantling for parts. Accordingly, the college will adhere to the following when dealing with disposals or transfers:

- A scrap approval is an authorization to **dispose of an item**. The subsequent pieces or components that remain after dismantling should be disposed of in accordance with this policy. The scrap disposal method is approved if an item is worth less than its current value (generally, the item is badly broken or obsolete) and is of no further use. The dismantle for parts method is usually authorized only after equipment is determined to have no useful value in its existing condition but some of its parts are still useful.
- Deposit scrap material at public landfills utilized by the college, or in trash dumpsters on campus, or turned over to personnel engaged in disposal duties. Taking scrap items for personal use is discouraged.

Transfers from Other Institutions

The Property Manager must be notified of equipment transfers from another institution or agency to SLCC. Unless otherwise stated, title of equipment vests with the college at the time of transfer. Property Manager will tag transferred equipment with appropriate location tag and add to the LPAA system.

Temporary Removal of Equipment

Employee must complete a 'Request for Temporary Removal of State Movable Property', secure all appropriate approval signatures and submit to Property Manager prior to removing property from campus. After use, the employee returns the equipment to college. Property Manager/campus contact verifies return of equipment and signs off, and employee signs off on appropriate form.

Disposal of Obsolete Property

Department will submit appropriate form when tagged equipment is deemed no longer a valued asset to the college. Property Manager will verify that equipment is obsolete, inoperative or beyond repair. Requesting department will transfer equipment to property department or request pick up. Once Property Manager has requested and received disposition approval from LPAA, appropriate disposition will be completed as requested.

Surplus Property

Surplus equipment is that which is deemed no longer of value to the agency yet of some value to Louisiana State Property. Department will submit a request to Property Manager for equipment surplus. Any items of surplus must have an approved BF-11 and a scheduled pickup date from the State Surplus Property Manager or designee prior to the transfer. Once items are scheduled for pickup, surplus items must be located in an easily accessible area with the corresponding BF-11 number affixed.

Lost/Stolen Property

Any lost/stolen property must be reported to Property Manager immediately. Property Manager and/or Department Head will immediately notify SLCC security. Security, immediately upon discovery, must report theft of property to the local police department. Security will be responsible for promptly obtaining a copy of the police report, then prepare reports and transmit copies to Property Manager and department involved. Property Manager will notify LPAA of the loss. A report must be submitted on the item(s) stolen. This report, along with other pertinent information (description of item, tag number, serial number, etc.) should be forwarded to the Property Manager.

Fleet Management

The Property Manager will be responsible for ensuring that all records and management of state vehicles owned by the college are current and accurate. Each campus will have a fleet management contact responsible for site vehicles and appropriate records and forms as required by state guidelines.

Vehicles will be properly maintained according to specific and regular preventative maintenance as designated by state fleet management regulations. MV3 Daily Vehicle Logs will be completed for each vehicle as required, entered into LPAA asset management system (no later than 2 business days following the end of the month), and submitted (scanned) to the Property Manager (no later than 3 business day following the end of the month) by the campus fleet contact. Originals are to be kept at the site at which the vehicles are stored on a daily basis.

Use of a college owned vehicle is in accordance with policy and Louisiana State Fleet Management guidelines. Vehicles are for authorized college business only and state regulations prohibit personal use for any purpose. Property Manager will be responsible for procurement of all rental vehicles upon appropriate administrative approval.

The accounting office will submit any MV-7 Reimbursement for Personally-Owned Vehicle Use to the Property Manager no later than the 13th day following the end of the month to which the report pertains. At the end of the fiscal year, the Property Manager will determine if an employee has reached or is above the annual breakeven mileage (15,000 miles) and report such. The original is sent to LPAA and a copy is retained for the agency's file. MV-7s will be reviewed by LPAA auditors and legislative auditors to assure compliance with fleet management regulations.

Procedure for Moveable Property Inventory

1. Annual inventory of moveable property will commence on appropriate date for each designated campus as designated by LPAA.
2. Property Manager shall complete and submit to LPAA Director or his designee the Notification of Inventory at least 30 days prior to the date(s) inventory is taken.
3. An inventory package will be distributed to each department custodian or employee. Each custodian shall be required to accomplish this task, certify by signing the report, and forward originals to the Property Manager by designed timeframe as noted. **Each department is responsible for conducting its own inventory and must adhere to submittal deadlines.** It conducts the inventory in a thorough and diligent manner with proper time allotted and adequate and knowledgeable personnel assigned to task. Departments are encouraged to keep a copy of each year's inventory for their records.
4. Each custodian shall: (a) identify and mark on the inventory listing the property located, (b) mark clearly any items **not** located with a detailed explanation, (c) report to the property manager any items found without a property tag {appropriate tag should be affixed to property immediately}, and (d) report to the Property Manager any tagged equipment located in area that is not listed on inventory.
5. Property Manager will conduct an on-site audit of at least 20% of total assets listed on state master file inventory for the agency code (to include all laptops and items \$5000 or greater).
6. Property Manager will report all unlocated items to LPAA via asset management system and Discrepancy Report for the Annual Certification. Should the item be located, Property Manager should be notified and will verify location. Property Manager should then submit request to LPAA for active status. If property is unlocated for a period of three years, Property Manager will request disposition of the items by means of the 3rd Year Discrepancy Disposition Method. LPAA approves the disposition and removes the property from the master inventory list.
7. Property Manager shall compile the true results of the physical inventory and shall submit a discrepancy report (if applicable) to the LPAA Director and/or his designee with a copy to the legislative auditor, containing all exceptions or discrepancies found in relating physical inventory with the state master file listing of inventory for the agency.
8. Property Manager shall submit the Certification of Annual Property inventory to the LPAA Director and/or his designee with a copy to the legislative auditor, after the physical inventory and the state master file listing of inventory for the agency have been reconciled according to state regulations.
9. Property Manager shall provide copies of all Certification of Annual Property correspondences to each property code location as soon as available.

10. Property Manager shall manage and supervise any LPAA audit of inventory at each physical location.


Reference:

Policy Reference:

Review Process:

<i>x</i>	Reviewing Council/Entity	Approval Date	Effective Date
<i>X</i>	<i>Cabinet Approval</i>	<i>05/22/12</i>	<i>07/01/12</i>
<i>X</i>	<i>Executive Committee Approval</i>	<i>06/11/12</i>	<i>07/01/12</i>
<i>X</i>	<i>Chancellor Approval</i>	<i>06/11/12</i>	<i>07/01/12</i>

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