I. Overview

The purpose of the Property Procedures is to ensure that the recording, reconciliation, and accountability of all fixed assets for the University is in compliance with Chapter 273, Florida Statutes, which promotes the control and safeguarding of tangible personal property.

Accounting procedures for the financial reporting of State-owned capital assets and depreciation should ensure compliance with Statement No. 34 of the Governmental Accounting Standards Board (GASB).

The Controller's Office Property Department is responsible for the recording and reporting of acquisitions, transfers and dispositions of tagged property; recording and reporting depreciation of tangible property over the estimated useful life; maintaining property records in the SCT Banner Fixed Asset system, and reconcile those records with the general ledger property accounts. An annual inventory of all University tangible property over $1,000 is required and coordinated by the Controller's Office Property Department. Property Custodians are responsible for assisting the Controller's Office Property Department in the reconciliation of un-located equipment during this annual inventory process.

II. Property Acquisition Methods

a. **Purchase** - Property procurement must be made in compliance with applicable State Statutes and Regulations and in accordance with the established policies and procedures of the Purchasing Department. Freight, installation, and other charges incurred in securing the item(s) are included in the acquisition cost. These costs will be considered in determining whether a purchase is an expense or an operating capital outlay (OCO). Florida Statute 273 defines property as equipment, fixtures and other tangible personal property of a non-consumable and non-expendable nature the value or cost of which is $1,000 or more and the normal expected life is one year or more. Equipment may only be purchased on a purchase order. When purchasing items that will add value to an existing property item, the decal number must be included on the requisition; the cost of the component will be added to the cost of the original property in the inventory record. Replacement parts, repairs, and service contracts are not considered as additions to the property. University property may not be purchased on a Blanket Purchase Order or with the Purchasing Card. Florida Statute 273 may be viewed at [http://dlis.dos.state.fl.us/fgils/government.html](http://dlis.dos.state.fl.us/fgils/government.html)

b. **Bequests, Gifts, Donations and Purchases from the UNF Foundation** - Donations and/or purchased items with a value of $1,000 or more are reported to the Controller's Office Property Department for recording as fixed assets. The notification of acceptance of a bequest, gift, or donation should have the description, the location, an estimate of the current fair market value, the name of the receiving department, and the name of the individual in the receiving department who accepted the donation or purchase.
c. 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 Department for processing in accordance with university property procedures. The Property Custodian should maintain accurate records that reflect all the related expenditures including labor and component parts involved in the fabrication of the equipment. Once the fabrication is completed, the Property Custodian should submit a memo to the Controller’s Office Property Department that contains the description and the accumulated cost of the property, as well as the organization code to which the property will be assigned, and the location. If the accumulated cost could not be reasonably determined, the estimated cost or fair market value of the fully assembled unit should be provided.

d. Loan, Rent, Lease - Property acquired in a rental or lease agreement is not University property in the sense of this policy since the University acquires the "right to use" only and, in some instances, the right to purchase, but not title to the property. Where such property is not acquired through the normal activity of the Purchasing Department, the representative of the university taking physical possession must report the acquisition to the Property Department and EH&S. EH&S is responsible for determining responsibility with regard to insurance, protection from loss or other accountability. A written lease agreement should be executed and signed by EH&S and a University Official with contracting authority and a copy forwarded to the Property Department.

e. Exchange / Trade-In - Property acquired through an exchange / trade-in is subject to the following University procedures for processing newly acquired property. It is important to note that trade-in equipment must be used on the purchase of like equipment.

1. The Department is required to complete a Property Survey form and forward the completed form along with all required signatures to the Property Department for approval by the Property Survey Board. Survey forms are available on the UNF website at http://www.unf.edu/dept/controller/property/forms.html

2. When the completed form is received by the Controller's Office, the Property Department will request permission for the item(s) to be exchanged / traded-in from the Property Survey Board. After the Survey Board approves the trade-in, the Property Department will send a copy of the original form or send an e-mail notifying the department of the approval.

3. The Department will write the electronic requisition number on the approved Property Survey form, and forward to the Purchasing Department for processing. The property number(s) of the item(s) being exchanged / traded-in must be included on the requisition. Purchase requisitions that include an exchange / trade-in will not be processed without the attached authorization.

4. Procedures for the return of defective or incorrect items to the vendor for replacement or repair are available through the Purchasing Department.

f. Discovery - Untagged items that meet the definition of property, or items that are tagged and not reported on the department's inventory list should be immediately reported to the Property Department. The Property Department will then determine who the Accountable Officer is, and also the responsible department. The Accountable Officer has to complete a Property Transfer Form immediately, and forward it to the Property Department for processing.

III. Property Identification

a. Identification of Property - The Property Department is responsible for tagging all property received costing $1,000 or more. If property is received through Central Receiving, it gets listed on the Fixed Asset Origination Tag Extract report which is run daily. This report is used by Property to identify items received that need to be decaled. If property gets delivered directly to the Departments (not
through Central Receiving) the Property Department should be notified immediately. The Property Department will then research documentation available for the items, such as a requisition, an invoice or a purchase order number. The Property Department will get the information needed in order to decal the item(s) received.

1. **Location of Tags** - Tags should be uniformly located on similar types of property and should be in an accessible location that is easy to scan. For example, computers are generally tagged on the front left hand side, small desktop computers are tagged on the front top, and laptops are tagged on the bottom, next to the serial number. Desks are generally tagged on the left hand side, inside the desk panel.

2. **Type of Tags** - The University uses bar code tags to identify property. Each bar code tag is 12-digits long and starts with "4990", which represents UNF within the Banner Accounting System. The "4990" is followed by "000" and the last 5-digits identify the property number of that particular item.

### IV. Property Transfers

a. **Change in Accountability** - A Property Transfer Form is to be completed when property items are transferred between University Departments. The form is to be initiated by the transferring department and must be signed by both the transferring and receiving Accountable Officers, then forwarded to the Property Department. Failure to promptly process this document will result in inaccurate property records and the transferring department will not be relieved of its custodial accountability. The Property Transfer Form is available on the UNF Website at [http://www.unf.edu/dept/controller/property/forms.html](http://www.unf.edu/dept/controller/property/forms.html)

### V. Off-Campus Use of Property

The removal of equipment from the University premises for official use by University personnel and students should be documented properly. The following two property forms shall be used by departments:

a. **Departmental Equipment Check-Out Log (For Periods of 1 to 10 Days)** - each department will be responsible for maintaining this check-out log on equipment that is removed from campus. This log must be available for review upon request by the Property Department, the Inspector General or the Auditor General. This equipment must be returned to campus upon request by the Property Department for annual inventory purposes. Also, a copy of this form should accompany the equipment that is being checked-out.

b. **Equipment Check-Out Form (For Periods in Excess of 10 Days)** - Prior to the removal of equipment in excess of 10 days, this check-out form must be completed and forwarded to the Property Department. The Accountable Officer's signature conveys permission to remove the equipment from campus. All University owned equipment must be returned to campus upon an employee's separation from the University. Once the equipment is returned, the checkout form is to be signed by the Accountable Officer and forwarded to the Property Department. This equipment must be returned to campus upon request by the Property Department for annual inventory purposes or an inventory certification will be sent to the user to verify possession of property and its location. This form must be updated, signed and returned to the Property Department in a timely manner.

1. **Short Term** - The Accountable Officer may approve the Equipment Check-Out Form for equipment that is to be removed from campus for **up to 30 days**.

2. **Extended Term** - Any Equipment Check-Out Form that requests off-campus use of equipment **in excess of 30 days** must be approved by the Accountable Officer and the
departmental vice-president.

Research equipment that is removed from campus and returned on a daily basis is exempt from these guidelines.

No check-out form should be approved past the end of the fiscal year.

Equipment approved and removed from campus must be made available for the University's annual inventory and for inventory by the Auditor General's Staff upon request.

Check-out forms are available on the UNF website at http://www.unf.edu/dept/controller/property/forms.html

VI. Surplus Property

a. **AUTHORIZATION OF THE PROPERTY SURVEY BOARD.** The recommendation to dispose of University property is the sole responsibility of the Property Survey Board.

b. **Survey Request** - The Accountable Officer should complete a Survey Request Form requesting release of accountability and to have the item removed from the department. These forms must be completed in their entirety to be processed for surplus pick-up. The Survey Form requires the signatures of the department head and the department vice-president. Survey Forms are available on the UNF website at http://www.unf.edu/dept/controller/property/forms.html

c. **Reasons for Surveying Property** - The following are the most common reasons for surveying property:

1. Excess to the department's needs
2. Damaged, or uneconomical to repair
3. Worn out or obsolete
4. Useable only for cannibalization by department
5. Trade-in

Please mark the correct reason on the survey request form as this allows other departments to know if the equipment is in usable condition when advertised as available for transfer.

d. **Survey Request Form Sent to The Property Department** - The completed survey form is forwarded to the Property Department. The Property Department verifies that the information on the form is correct and the form has been properly signed. For surveying of computers, there are specific procedures outlined in the next section (e.). Any items listed in good condition will be advertised for transfer to other campus departments. At the time of pick-up the department signs the survey form to release the equipment to be surveyed and accountability will be transferred to the Property Department. Property Department will store the equipment at the surplus warehouse in the Parking Garage number 38, until the Property Survey Board meets to determine the disposition of the equipment. Property Department keeps spreadsheets with a list of all the survey forms received; each form is assigned a Survey No. in consecutive order. This list is taken to the Property Survey Board meeting, along with all the Survey Forms, in order for the committee to know the cost of the items to be surveyed; the computers are listed separately. This facilitates the review and approval process. The Survey Forms have to be signed by the Chair of the Property Survey Board. The Property Department will only pick-up tagged property. The Property Department will not pick-up cables, broken keyboards, or any other items that do not meet the criteria to be tagged. These items
should be disposed off by the departments, or recycled through Physical Facilities if applicable.

e. Disposal of Surplus Computers - Computer equipment should be managed in a way that protects the environment and University assets, in an effort to minimize landfill and maximize its re-use.

1. The Departments identify the items to be removed on the Survey Form, and get the form approved by the Department Head and the Department's Vice President.
2. Technical Support Personnel (C-Techs) prepare the item for pick-up. These technicians will sanitize hard drives and certify that they were wiped clean of all data using GDISK by signing the Survey Form on the space provided for a C-Tech signature.
3. The Property Department will coordinate the pick-up and store it in the parking garage storage area.
4. The Property Department will also coordinate the donation of any working computers by contacting the schools or non-profit organizations that have expressed their interest in getting computer equipment through a letter of intent. This letter should include their Federal tax ID. We also need a copy of the 501(c) (3) letter from the IRS and a copy of the Sales Tax exemption certificate. At the time the school notifies that they will send a representative to pick-up these computers, the Property Department will remove or scrape the decals after making a list of the items that are being donated.
5. The Property Department will also coordinate and call for pick-up of the items via a selected vendor for eventual re-use or recycling.

f. Property Survey Board - This committee generally meets every two months to review survey requests submitted by the departments. This committee will decide the disposition of each item.

g. Notification Sent to the Accountable Officer / Project Director on Items to be Cannibalized - The Property Department will send affidavits to each Accountable Officer upon approval of each request to cannibalize or a notification will be sent that the request was not approved. The Accountable Officer has the option to have the items not approved picked up for regular surplus disposal. The Accountable Officer must complete the affidavit of destruction sent by the Property Department and return the signed and witnessed form including the property tag to the Property Department. The Accountable Officer is responsible for the disposal of any residual pieces of any cannibalized equipment. Any item surveyed that has obviously been cannibalized will not be picked up and the departments will be instructed to complete a survey form requesting permission to cannibalize.

h. Authority for Disposal - University property will not be sold, transferred, cannibalized, scrapped or destroyed without prior written approval from the Property Survey Board.

i. Methods of Disposing of Surplus Property - The Property Department will have the responsibility for the disposition of Property as directed by the Property Survey Board. The following are the most common methods of disposing of surplus property:

1. **Transfer to Another State Agency or Political Subdivision** - The Property Survey Board may authorize the transfer of equipment to another State Agency or Political Subdivision including other Educational Institutions if requested.

2. **Cannibalization of Property** - The Property Survey Board may authorize the cannibalization of equipment if it is in the best interest of the University.

3. **Abandoned Equipment** - The Property Survey Board may authorize the abandonment of tangible personal property, in place, upon determination that the cost to return or repair exceeds the value of the property.

4. **Public Sale** - The Property Survey Board may authorize the public sale of such property determined to be surplus to the needs of the University under the following conditions:
a. All public sales will be conducted on set date and time that will be advertised in a local newspaper of general circulation no less than two weeks prior to the sale.

b. Sales may be conducted at the discretion of the Property Department, with the assistance of Purchasing Department, as sealed bid sales or public auctions.

j. Scrap Disposal - Any remaining property will be scrapped in a manner consistent with the University's recycle program and Hazardous Waste Disposal Regulations.

k. Disposition of Monies Received From Surveyed Property - Monies received from the sale of surveyed property will be used to advertise the bid / auction and for direct support of the surplus process in accordance with Florida Statute 273.055.

l. Recirculation of Surplus Property - The Property Survey Board may recommend the circulation of surplus property having a useful life to other agencies. Listings of such property available on a bid basis may be sent to other state agencies and the Bureau of State Surplus Property. Property listings will include condition and location of property available for viewing.

VII. Property Inventory

Section 273.02, Florida Statutes, requires an annual inventory of property. In order to comply with this requirement, the Controller's Office Property Department is responsible for coordinating the physical inventory schedule by division. The University implemented a decentralized inventory process; this means that each Department Head must complete a physical inventory of all property assigned to his/her department. The Property Department will assist the departments with the process as needed. The Property Department will also select a random group of departments and do a complete audit of the custodian's inventory report; this process will be coordinated with the Department Head, who will assist in the review and correction of any discrepancies found. Staff from the Offices of the Inspector General or Auditor General may also validate the property audit, so it is very important that the property inventory instructions are followed accurately. All discrepancies between the property reports and the physical count must be resolved and should fall within the categories described in this section.

a. The Vice President of Administration Affairs is the custodian for all University Property. Custodial responsibility has been delegated to an Accountable Officer who is typically the Department Head.

b. Once custodianship is assigned, the custodian becomes responsible for the inventory items that have been accepted, as well as future purchases. The custodian is held accountable for all items on his/her inventory, including replacement of missing items.
   1. The custodian is responsible for preparing and submitting the proper transfer forms when property items are relocated within the same department or reassigned to other departments.

   2. The custodian is further responsible for preparing and submitting the proper checkout forms when property items are authorized for removal from campus.
c. The Property Department has scanners that read the barcode tags on the property items. The information collected in the scanners will be uploaded into spreadsheets used in the reconciliation of the physical inventory with the property recorded in Banner. For Fiscal Year 2005, since we started with the new Banner software, and the listings of inventory by department have not been completed, the Property Department will be responsible for conducting the inventory with the assistance of the departments. Starting in Fiscal Year 2006 and beyond, the procedures for decentralized inventory outlined below will be followed.

1. A computer listing of all furniture and equipment assigned to each department will be provided at least annually by the Controller's Office Property Department.

2. The custodian should identify a person within the department who will be responsible for physically checking the inventory. This person will be called the "Inventory Record Keeper".

3. The custodian must physically locate each item by matching the tag number on the listing with the property tag on each piece of equipment.

4. Verify the building and room information where each item is located. Any changes can be noted by lining through the old building/room number and writing in the new number below each field.

5. Verify the serial number, and add it if it is not included on the inventory.

6. Note the "cond" code on the inventory report. If appropriate, indicate an updated condition by lining through the existing code and writing the new one. (Explanations of the condition codes "1" - "4" are listed on the inventory report's signature page.)

7. Once an item has been physically located and matched to the inventory report, the Inventory Record Keeper will initial beside each item to the left of the Property number.

8. All items not matching should fall into one of the following categories and be handled accordingly:

   a. Items on Inventory, Not Found

   1. Stolen or Missing Equipment: You must contact the University Police department to file a report, a copy of which should be submitted with your completed inventory list. (The police report must show the police report number and name of investigating officer).

   2. Surveyed Items: If you have submitted a survey report but the item is still listed on your inventory, please attach a copy of your survey report.

   3. Transferred Equipment: If any item has been transferred to another location, a copy of the "Property Transfer Request" must be attached. Until this property has been accounted for in the new location, it is still the responsibility of the Custodian who transferred the property.

   4. Property Removed From Campus: For any property removed from campus for accomplishing University business or for repair by a vendor, a "Property Check-Out Form" filed with the Property Department. Please attach a copy of this form for any property currently checked out. New property should not be removed from campus until it is tagged and a checkout form is completed and submitted to the Property Office. Approval by the Departmental Custodian shall not be for a period extending beyond the current fiscal year. A new checkout
form must be completed and submitted to the Property Department if the item is to be checked out in a subsequent year. **Items checked out and removed from campus must be made available for annual inventory and/or upon request from the Inspector General and/or Auditor General's staff.**

b. **Items Found, Not On Inventory**

1. **Item Has A Decal:** Add the decal number and a description of the item to the property report.

2. **Item Purchased ($1,000 or Greater) But Not Tagged:** List the item and any information you have relating to the equipment (description, serial number, date purchased, voucher number, building/room number, cost, purchase order number) on the bottom of your property report. This information will help the Property Department in reconciling the property inventory.

3. **Items Received From Another Source (Transfer From Another Department, Donation, etc.):** List any information you have relative to this equipment including source of acquisition.

c. **Off-Campus Property**

1. All property located at University off-campus locations must be accounted for during the physical inventory process. Distribute the inventory report to the parties responsible for performing the physical verification. The Custodian is responsible for ensuring that off-campus property is inventoried and must sign of attesting to this fact.

d. Final annual inventory report to the custodian will include an up-to-date departmental inventory. The final page of the departmental inventory will include a "certification statement", which certifies that the department head accepts custodial responsibility for property assigned to his/her department as listed in the inventory report. This certification statement requires the department head signature and must be returned to the Property Department.

Appendix 1-Basic Property Terminology

a. **"Accountable Officer"** - typically the Department Head or someone who has been designated by a department head and has signature authority for a department, and who is responsible for the items assigned to and purchased by the department. Also, the "Primary Investigator" administering a contract or grant is the accountable officer for property acquired by or assigned to the contract or grant project. Sponsored Research must approve transfers and dispositions of any property acquired with contract or grant funds.

b. **"Added Value Items"** - this group comprises equipment that is non-taggable(cannot be decaled) because it is an internal part or component of another piece of equipment. Examples of added value items are: emulation adapters, memory adapters, display adapters, coprocessors, internal disk or diskette drives, and similar equipment which are all internal components of a microcomputer system. Proper Accounting requires that added value items be
designated as such, and that the equipment in which an added value item will be installed be identified by UNF property decal number. Although the decal number will not be known for equipment that has not been received, it should be known - and identified on the requisition - for existing equipment.

c. "Attractive Property" - property that has the same characteristics as "property", but costs less than $1,000. These are items such as cameras, watches, cell phones, etc., that by their nature are physically small in size and subject to conversion for personal use.

d. "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).

e. "Custodian" - an individual who is responsible for property owned by the State. The custodian for the University is the Vice President of Administration Affairs. (273.01 Florida Statutes (1989))

f. "Custodian's Delegate" - an individual who has been delegated by the custodian as having the immediate control of and accountability for specific items of property. For the University, a custodian's delegate is that appointed officer having supervisory responsibility over a specific group of accountable officers/project directors (i.e.: deans of a college, vice presidents, associate vices presidents, etc.).

g. "Fixed Capital Outlay" (FCO) - 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 is also fixed capital outlay. (216.011 (1) (n) Florida Statutes (1991))

h. "Governing Laws, Rules and Regulations" - Florida Statutes, Chapters 273, 284, and 705.18. Florida Statutes may be viewed at http://dis.dos.state.fl.us/fgils/government.html

i. "Inventory Taking" - the University has implemented a decentralized physical inventory process. Once a year, between March and June, the Property Department staff sends the departments an Inventory Report with a list of all their assets. Each department head and/or their designee must conduct an inventory of all property assigned to the department. The property report lists all the capital items with a unit cost of $1,000.00 or more, and all the computers regardless of cost. The report is modified to reflect any changes.

j. "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 $25 or more included in each publicly supported inventory in lieu of an annual physical inventory. All books identified by these records as missing will be traced and reconciled, and the library inventory will be adjusted accordingly. (273.02 Florida Statutes (1989))

k. "Operating Capital Outlay" (OCO) - equipment, fixtures, and other tangible personal property that are not consumable or expendable, the value or cost of which is $1,000 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 $25 or more, and non-circulated hardback-covered bound books the value or cost of which is $250 or more. (273.01 Florida Statutes (1989) and Florida Administration Code 3A-4-0-.60 (1989))

l. "Property" - all tangible personal property owned by the State and that conforms to the OCO definition.

m. "Property Department" - a section within the Office of the Controller that is responsible for
the accounting of all University property.

n. "Property Manager" - an employee in the Controller's Office who supervises the daily operations of the Property Accounting Section.

o. "Property Survey Board" - a committee, appointed by the University President for the purpose of reviewing survey requests and taking appropriate action on obsolete, lost, stolen, or destroyed equipment and other surplus property submitted by a department requesting relief from accountability. This board must insure that accountability for equipment will be in compliance with Chapter 273 of the Florida Statutes - State Owned Tangible Personal Property.

p. "Surplus Property" - surplus, state-owned, tangible personal property which is determined to be surplus because it is excess, obsolete, uneconomical or inefficient for continued use. The Accountable Officer will report this property as surplus to the Property Survey Board.

q. "Tangible Personal Property" - all personal property, other than real estate, acquired by and belonging to the State of Florida.