

COLORADO STATE UNIVERSITY
Financial Procedure Instructions
FPI 4-2

1. **Procedure Title:** Property Management – Capital Equipment Loan/Renew/Return
2. **Procedure Purpose and Effect:** Procedures for any department or organization within the university regarding tracking equipment loaned to any individual or entity and/or residing at a location not listed in the Kuali system. The location of capital equipment is required to be recorded in the Kuali system. Whenever capital equipment will be removed from a Kuali system location for any period longer than thirty-one (31) days, a Kuali Equipment Loan/Return document must be submitted within the first thirty (30) days of removal. The Capital Asset Management (CAM) database is used to record the location of equipment.
3. **Application of Procedure:** This procedure applies to all departments or organizations that need to track equipment that has been loaned out and/or residing at a location not listed in the Kuali system.
4. **Exemptions:** Any exemptions to this policy require approval by the Property Management Office.
5. **Definitions:**
 - A. **Capital Equipment:** Capital Equipment, also known as movable equipment, includes items which are not considered an integral part of a university building, are non-expendable, do not lose their identity through incorporation into a more complex unit, have a useful life of more than a year, and have an acquisition cost of \$5,000 or more, or another threshold if set by a contract, grant, or agreement.
 - B. **Capital Asset Management (CAM):** CAM is a module of the university Kuali Financial System (KFS). This is the system of record for fixed assets within the Kuali Financial System.
 - C. **Capital Asset Management (CAM) Processor:** Any Kuali user can view capital assets. People need to apply for the CAM Processor role. If granted, the CAM Processor Role can edit, loan, transfer, and retire capital assets; as well as enter non-capital assets into Kuali.
 - D. **Custodial Department:** The university department or unit having physical control of property.
 - E. **Custodian:** The individual in physical possession or control of university property located on campus or at an off campus or non-CSU affiliated facility.
 - F. **Custody:** Custody occurs when the university becomes responsible for the safeguarding and maintenance of a capital asset.
 - G. **Export Control:** The U.S. Government controls exports of sensitive equipment, software and technology as a means to promote our national security interests and foreign policy objectives.
 - H. **High-Theft Items:** Items of property which are susceptible to being appropriated for personal use or which can be readily converted to cash. This includes, but is not limited to, computers, radios, cameras, microscopes, etc. These items must remain in a secure area when not in use.

I. **Sensitive Property:** The government defines sensitive property as property potentially dangerous to public safety or security if stolen, lost or misplaced or that shall be subject to exceptional physical security, protection, control and accountability such as classified property, weapons, ammunition, explosives, controlled substances, radioactive materials, hazardous materials or waste, or precious metals. These items must remain in a secure area when not in use.

6. **Procedure Statement:** A Kualo Equipment Loan/Return document needs to be submitted whenever capital equipment is loaned to an entity not directly associated with the university and/or residing at a location not listed in Kualo for a period of thirty-one (31) days or longer. Departments may also use this procedure to track the location of non-capital assets, such as high theft items or sensitive property; however, they must first create the asset in the CAM database. Equipment residing at a location not listed in Kualo will be processed the same as loaned-out equipment.

In accordance with CSU procedure, an asset may be loaned-out for a period not to exceed two years per loan request and a Kualo Equipment Loan/Return document must be submitted within the first thirty (30) days of the loan. Whenever equipment is not returned at the end of the specified loan period, an Equipment Loan/Return document must be submitted to renew the loan.

For loan renewals, in order to meet capital asset biennial inventory requirements or when determined necessary due to other factors (i.e. sponsor funding requirement, the department is on a probationary annual inventory cycle, etc.), either an approved method of inventory verification or an Inventory Verification of Loaned Assets document will need to be provided.

When equipment is being returned to the university or if a Kualo document other than an Asset Edit document needs to be processed on any loaned-out asset, a Kualo Equipment Loan/Return document must be submitted to return the asset to a location listed in Kualo.

A. **Responsibilities:** Both the department making the equipment loan and borrower have responsibilities.

The organization making the equipment loan will be responsible for:

1. Submitting the initial Equipment Loan/Return document and subsequent documents
2. Verifying the accuracy of borrower's information during the course of the loan
3. Maintaining accountability of the equipment on loan through a valid contact
4. Obtaining and submitting any required inventory verification information
5. Keeping accurate inventory records of equipment sent off campus for a period less than thirty- one (31) days
6. Export control for items leaving the United States or being utilized by Foreign Nationals
7. Obtaining Risk Management approval for any special circumstances

The borrower will be responsible for:

1. The timely return of equipment or communicating with the CSU department contact the need to extend the loan
2. Exercising reasonable care and maintenance of the equipment
3. Providing any required inventory verification information to the CSU department contact
4. Returning property to the university upon request

B. **Processing a Kualo Equipment Loan/Return Document:** The Equipment Loan/Return document is used to track assets that are on loan and/or residing at a location not listed in Kualo; to renew loan periods; and to return such assets back from a loaned status. The CAM Processor Role is needed to submit an Equipment Loan/Return document.

1. **Loaning Equipment Off-Campus.** To Loan-out an asset or record the location of an asset that will be residing at a location not listed in Quali, the CAM processor will first need to do an asset lookup. In Quali on the Main Menu under Lookup and Maintenance, click on "Asset". On the Asset Lookup page, enter the asset or decal number of the asset to be loaned-out. Once the asset number has been entered and retrieved, under "Actions" notice that the action titled "loan" is underlined. Click on loan. An Equipment Loan/Return document will open. The document will require the following:
 - a. **Borrower ID.** The borrower must have an active KFS user ID. Normally this will be the faculty or staff member in possession of the equipment
 - b. **Expected Return Date.** The expected return date must not exceed two years
 - c. **Borrower's Address/Stored at Address.** The system will require the user to enter the borrower's address (personal residence or entity address). If the equipment is located at the borrower's address, the user will only need to complete the borrower's address section. If the equipment is not located at the borrower's address, then the stored at address section will also need to be completed. Either the borrower's address or the stored at address will need to be a physical address and not a CSU campus address or a P.O. BoxSubmit the document to route through workflow.

2. **Extending a Loan.** To extend a loan, first do an asset lookup. In Quali on the Main Menu under Lookup and Maintenance, click on "Asset". On the Asset Lookup page, enter the desired asset or decal number. Once the asset number has been entered and retrieved, under "Actions" notice the action titled "renew" is underlined. Click on renew. An Equipment Loan/Return document will open. The document will require the following:
 - a. **Expected Return Date.** Enter a new expected return date. The expected return date must not exceed two years
 - b. Submit the document to route through workflow. An Inventory Specialist is included in the routing of the document and will contact the department, if necessary, to request any inventory verification information needed to meet capital asset inventory requirements.

3. **Returning Equipment.** Returning equipment may be done for two reasons, the asset is being physically returned or a Quali document needs to be processed and is locked because the equipment is in a loaned status. For either reason, to return equipment first do an asset lookup. In Quali on the Main Menu under Lookup and Maintenance, click on "Asset". On the Asset Lookup page, enter the asset or decal number of the asset to be returned. Once the asset number has been entered and retrieved, under "Actions" notice that the action titled "return" is underlined. Click on return. An Equipment Loan/Return document will open. The document will require the following:
 - a. **Return Date.** The system defaults the Loan Return Date to the day the document is created.
 - b. The user may either use the default date or enter the actual return dateSubmit the document to route through workflow.

- C. **Export Control:** Current export laws control both hardware and information regarding a wide range of technologies in a way that may have a substantial impact on research at CSU. Federal regulations control the conditions under which certain information, technologies and commodities can be transmitted overseas to anyone, including U.S. citizens, but also to foreign nationals on U.S. soil. Approval must be obtained from CSU Export Control if equipment falls under this category. Any concerns regarding export control should be directed to CSU Export Control.

D. Insurance Coverage: Risk Management covers university equipment with a \$1,000 deductible. This includes equipment off campus. If equipment will be located in any country other than the United States, Canada, or Puerto Rico, approval must be obtained from Risk Management. Any concerns regarding insurance should be directed to Risk Management.

E. Office of Foreign Assets Control (OFAC): The Office of Foreign Assets Control, of the US Department of the Treasury, administers and enforces economic and trade sanctions based on US foreign policy and national security goals against targeted foreign countries and regimes, terrorists, international narcotics traffickers, those engaged in activities related to the proliferation of weapons of mass destruction, and other threats to the national security, foreign policy or economy of the United States.

7. Reference and Cross-References:

Property Management website: <http://busfin.colostate.edu/Depts/PropMgt.aspx>

Risk Management and Insurance: <http://rmi.prep.colostate.edu>

Export Control and OFAC: <https://vpnet.research.colostate.edu/RICRO/excon/>

8. Forms and Tools:

To apply for the CAM Processor Role please fill out the Application for Kualu Financial System located at: <http://busfin.colostate.edu/Resources/Forms.aspx>

Creating a loan document instructions are located at: <http://busfin.colostate.edu/Depts/PropMgt.aspx> (Under the Training heading and CAM Processor Training subheading)

KFS User's Manual is located at: http://busfin.colostate.edu/Resources/Guides_Manuals.aspx (Under the Manuals heading)