



- ▶ RECOGNITION
- ▶ TRAINING

VOLUME
1



- ▶ Procedures

Property focus

DE-MYSTIFYING THE CAPITAL ASSET MANAGEMENT PROCESS



- ▶ Compliance

Thank you! Thank you!

During the course of performing our function around campus we receive cooperation and assistance from so many of you.

Here is our chance to express gratitude to everyone and recognize a few people who really stand out from the crowd.

- * Mary Atella Colorado State Forestry Service
- * Paula Moffett Equine Research Laboratory
- * Travis Potter Clinical Sciences (VTH)
- * Nancy Reeve Biochemistry and Molecular Biology
- * Greg Litus Western Colorado Research Center
- * Holly Ritzman Surplus Property Department
- * Allie Eret College of Business
- * Rachelle Taylor College of Business



Getting the most from Property Management Department Training.

Property management conducts bi-annual training on:

- ◆ CAM Processor and asset lifecycle documents and reports
- ◆ Account Technician financial processing documents.

All prior training presentations and exercises are available to users on our web page under the Training tab.

<http://busfin.colostate.edu/prp.aspx>

In addition to our regularly scheduled training, beginning this year we will be presenting a DPC (Department Property Contact) and APO

(Accountable Property Officer) certification program for the clarification of expectations and responsibilities for each of these roles.

We are also in the process of creating an interactive online training and webinar for those departments with satellite locations or facilities outside of Fort Collins. Check our website mid summer for updates.

The Inventory Specialists make a regular habit of conducting on the spot training when we notice something that may become an audit exception. We encourage you to invite any or all of our staff to your department/staff meetings before potential risk issues occur, and we are happy to customize a

presentation for groups within your department.

We are here to train and support all members of the Colorado State University community in all matters capital asset property related. Please utilize us as a resource.

“Lack of training is the primary causative factor when government auditors find an organization liable for the loss, damage, or destruction of sponsor assets. It is considered a demonstration of willful misconduct and lack of good faith.”

NPMA FUNDAMENTALS OF PERSONAL PROPERTY MANAGEMENT PG 1-13 CR 2006

Debra Ellison– Accounting Technician; approves Requisition and purchase orders, GEC’s, merge and separate documents, monitors federal and sponsor equipment and sends out finals, creates asset records, and conducts financial document training.

Mack Freestone– Inventory Specialist; audit assistance, placement of decals, management of list serve and contact database.

Rachel Drenth– Inventory Specialist, audit assistance, placement of decals, EACR approval, CAM Processor training, newsletter, web page PDF forms.

Genevra Scott– Property Administrator; CAM document approvals, reconciliations, staff oversight, depreciation calculations, fiscal reporting, close-out meetings, and training.



Let us be good stewards of the Earth we inherited. All of us have to share the Earth's fragile ecosystems and precious resources, and each of us has a role to play in preserving them. If we are to go on living together on this Earth, we must all be responsible for it.

-Kofi Annan

Disposition Procedures

Surplus Property has been delegated the authority and responsibility for administering the disposal of all property. Departments are not authorized to dispose of any items or equipment without the prior approval from the Director of Surplus Property or his/her delegate. No department or individual should make or authorize any sale, trade-in or donation without prior approval of Surplus Property.

Page 33 of financial rules 4.8 <http://busfin.colostate.edu/fpi.aspx>



Disposition Procedures that are commonly processed incorrectly:

Trade-in of capital equipment:

Assets are traded in to obtain assets for the same general purpose, are the same general type, and are employed in the same line of business.

- ◆ Identify the asset you want to trade and the value the vendor is offering, enter the requisition
- ◆ Attach the quote with a full description of the asset(s) and note the document number of the Requisition, create a Trade-in Retirement Document (or an e-mail if non-capital property) for approval by Surplus Property (note: if Surplus believes the value is below the fair market value for the equipment they will disapprove the trade-in request)

Transfer of CSU property or equipment to another institution:

External transfers are approved for equipment owned by CSU only and transferring for the continuance of the project or contract the equipment was purchased for. For equipment that does not fit the above criteria, Surplus will arrange the sale of the equipment at fair market value.

- ◆ Identify the asset(s) you want to transfer
- ◆ Attach a full description of the asset(s) to an External Transfer Retirement Document (or an e-mail if non-capital property) for approval by Surplus Property (note: if the equipment is not owned by CSU the transfer will not be allowed)
- ◆ If approved, attach a Letter of Acceptance from the transferor agency and a Letter of Release from the transferring department APO.

At no time is it acceptable to release CSU property, with intent or by negligence, to an outside agency without prior approval from Surplus Property. Non-compliance could result in legal action to the University and or the individual if proper disposition procedures are not followed.

Cannibalization of equipment (parts machine):

The removal of parts or components renders the equipment unusable for its original function

- ◆ E-mail a request to Surplus Property for all equipment to be used as a parts machine prior to deconstruction.
- ◆ If capital, transfer the asset to Surplus for retirement request.
- ◆ All remaining parts and components will be picked up by Surplus for disposition. (unless other arrangements are made)





Colorado
State
University

Potential Audit Risk Issues



There are potential risks we encounter occasionally in all areas of the university that can be mitigated by continued focus and exposure to policy and procedures within the department.

- * **Equipment being moved by the user without communication to the CAM Processors and DPC's**
 - ⇒ In the event of damage to the room or building the property record needs to reflect the current location for the insurance claim
 - ⇒ The audit record is driven by the property record in Quali
 - ⇒ The more often an asset is moved without being recorded in KFS, the less likely it can be easily found again
- * **Assets in your department without decals**
 - ⇒ Makes identification of the item as capital much more difficult during inventory and audits
 - ⇒ Un-decaled assets are more likely to be disposed of improperly thereby causing a loss to your department and the University
- * **Asset Representatives no longer with the department or the University**
 - ⇒ If the asset was not transferred to a new Representative, it may prove difficult to identify or locate
 - ⇒ Potential loss to the department and the University if the representative took the equipment to their new agency or institution without following procedure
- * **Cannibalization without prior authorization**
 - ⇒ Equipment purchased and owned by the University or more so, the Federal Government must go through the proper procedures before being deconstructed for any reason no matter how valiant
- * **Building renovation or movement of offices/labs**
 - ⇒ 3rd party project managers may not be familiar with the assets under your unit or may not know to look for capital assets at all during demolition
 - ⇒ It is very difficult to prove after the fact if something was removed or relocated
- * **Equipment being released to an outside agency prior to approval**
 - ⇒ Think not only trade in to vendor or transfer to another university but waste management companies as well. Can you certify an outside source has approved methods of disposal?
 - ⇒ If proper procedures were not followed to wipe proprietary information from data containing devices, criminal action could be taken against the University and the individual

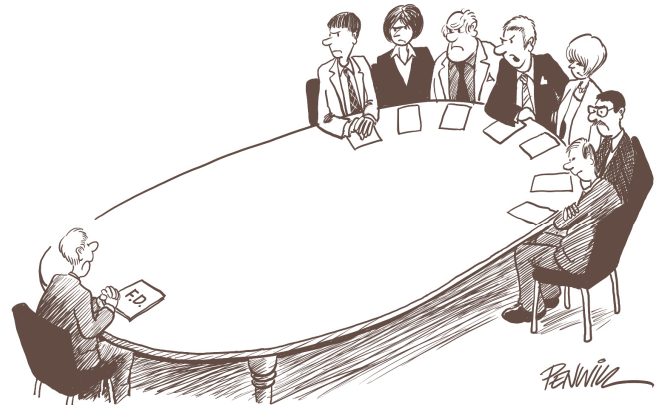
Resources for policy and procedures

<http://www.colorado.gov/cs/Satellite/CDPHE-HM/CBON/1251615964355>

<http://www.colorado.gov/cs/Satellite?blobcol=urldata&blobheader=text%2Fhtml&blobkey=id&blobtable=MungoBlobs&blobwhere=1144935583331&ssbinary=true>

<http://cospl.coalition.org/fedora/repository/co:2012>

<http://www.acquisition.gov/far/>



"WE DON'T WANT YOU TO VIEW THIS AUDIT COMMITTEE AS BEING IN ANY WAY CONFRONTATIONAL"