



PROPERTY CONTROL POLICY AND PROCEDURES

PURPOSE:

California State University San Marcos Corporation (CSUSM Corporation) has established guidelines for property purchases and donations and defined the responsibilities and obligations of CSUSM Corporation and its Project Directors in regard to the custody and control of property. This includes a biennial property verification program, the maintenance of accurate records, property identification (tagging) and guidelines for proper handling of property and related record keeping.

The Property Control Policy described below establishes a system used to identify and track property owned by or donated to CSUSM Corporation including but not limited to gifts of art/real estate, equipment used on research grants, computer/office equipment and furniture.

POLICY:

Property with a cost of \$5,000 or more that benefit or provide services of one year or more will be capitalized, tracked, and tagged. Property with a cost of \$2,500 or more that benefit or provide services of one year or more will be tagged and tracked but not capitalized. Property cost includes the purchase price plus all costs to acquire, install, and prepare the property for the intended use.

Property owned by CSUSM Corporation through the Office of Sponsored Projects (OSP) and Campus Programs require Principal Investigators (PI)/Project Directors (PD) be responsible for all property purchased for their project(s) and must report the location, transfer, trade-in, loss (theft), or non-use/obsolescence of the property to CSUSM Corporation using the Property Transfer Form. PI's/PD's will be required to follow the property control policy.

The PI/PD is responsible for the security and control of any property or equipment less than \$2,500 (including theft sensitive items) in regard to recordkeeping, inventory, and safekeeping. Property and equipment with a cost of \$2,500 or less will not be tagged.

The Executive Director or designee is responsible for the security and control of all other CSUSM Corporation owned property.

TAGGING AND TRACKING PROCEDURE:

CSUSM Corporation will utilize Campus Materials Management for property control services related to receiving, tagging, and inventory service needs. Whether an item is tagged or not will be determined by Materials Management utilizing CSUSM Corporation's criteria for Property Control.

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Materials Management will record all the pertinent information required within the property control database for property valued at \$2,500 or more and be responsible for ensuring the physical tagging of the property.

Auxiliary Accounting will maintain records of property including acquisition costs, useful life, depreciation schedules, disposals, and reporting for Financials. Reconciliations shall be reviewed with CSUSM Corporation annually.

Donated property will be listed as “donated” in the property control database along with an estimated value and useful life.

BIENNIAL PROPERTY VERIFICATION PROGRAM:

As a part of the Biennial (every two years) Property Verification Program, Materials Management and the PI/PD will perform a physical count of all property tagged and tracked in the property control database. A Property Report will be issued to the appropriate PI/PD prior to the physical count at which time any corrections will be submitted to CSUSM Corporation. This verification program will take place in the third or fourth quarter of the Fiscal Year every two years.

SALES/DISPOSITIONS/TRANSFERS/STOLEN PROPERTY

- I. CSUSM Corporation must give written authorization to the PI/PD to sell, dispose or transfer any property acquired through any grant.
- II. OSP will, at the end of the project period/close out (depending on any further requirements of the funder), initiate the transfer of all capitalized equipment to CSUSM using the Property Transfer Form.
- III. PI's/PD's must notify CSUSM Corporation of any transfers or disposals of property by using the Property Transfer Form. This includes lost, stolen or destroyed property.

The Executive Director or designee shall authorize the sale, disposition or transfer of all other CSUSM Corporation owned property.

Revision Dates: Remove procedural items, verification program frequency from biennial to triennial. OSP transfer property at Award close-out 2/16; 06/07; 11/1/07; Verification program frequency from triennial to biennial based on Uniform Guidance revisions 5/24/18 (DRAFT)

This policy was originally part of the “Fixed Asset and Property Control Policy.” That policy was separated into two policies.