



## **Asset/Property Management Manual**

### **Mission**

Our mission is to maintain an accurate inventory and current data on the property and fixed assets used by the college community and to comply with the CUNY policies and procedures to assure control and accountability over these assets.

The Fixed Assets Department is responsible for the maintenance of the College fixed assets management records based on the input received from acquisition, inventory and disposal processes. By complying with this requirement, we ensure that the College is not at risk of losing federal, state and city funding. Asset acquisition, transfer and/or disposition are the most crucial aspects of inventory control.

### **Responsibilities include:**

- Identification and tagging of equipment and other assets
- Inputting, updating accurate data, and generating reports from CUNYFirst.
- Preparing reconciliation of property records.
- Coordination of the disposition of College assets regarding salvage, transfer and relocation.
- Conducting the annual, physical inventory of Fixed Assets.
- Reporting lost or stolen assets to Public Safety and CUNY.

### **Objectives**

- To be able to clearly demonstrate that every CUNY policy and procedure is being followed.
- Meeting with departments to educate them on all CUNY policies and procedures.

- To work with departments on developing Asset Management Liaisons so that we have a dedicated individual in each department who will be responsible for the department assets and will work with us on the yearly re-inventory process.
- To ensure that the Property Office is entering receipts into CUNYfirst for delivered items (receipts will be entered the same day or next day).
- Once the Asset Manager is provided with the Purchase Order by the Property Office, KIN tags are sent to the Property Office to tag the asset (tagging is completed the same day or next day). The Asset Manager also reviews CUNYfirst data daily to ensure that a Purchase Order was received for all delivered assets.
- To document the re-inventory process and to demonstrate that we have done our due diligence to identify the status of every asset in CUNYfirst.
- Provide a re-inventory process that demonstrates careful planning, execution and is completed with all necessary supporting documentation while meeting the acceptable CUNY threshold. Find solutions for all current and past-related inventory issues, which pre-dates the 2016 re-inventory process.
- The Fixed Assets Manager will be responsible for the accountability of College assets, CUNYfirst records, maintaining asset logbooks for Artwork, vehicles, boats, no physical taggable assets, equipment relocation and salvage.
- The Asset Manager oversee daily the KCC Internal Shadow Tracking system (only sensitive assets that are not capitalized), KIN Number Tracker (tracks all new Capital Assets equipment that are tagged), Asset Disposal Tracker (tracking regular salvage, write offs for re-inventory that are signed by the departments).

- The Asset Manager prepares monthly and year to date tax levy reconciliations to reconcile expenditures with Property Management as mandated by the Office of the University Controller (CUNY).
- Implement the CUNY Capital Asset Policies (In compliance with new CUNY Policies effective date 7/1/2016).
- Provide access to CUNY Asset Management policies, procedures and the CUNY Property Control Form to all Administrative and Academic Departments (link provided on the KCC Asset Management webpage).
- Developed a college Asset Management web page that will provide the college community access to policies & procedures, directives and forms for Property Asset Management.
- Began Implementing training sessions with departments regarding inventory, direct shipments, salvage and relocation of assets. Each Administrative and Academic department will be required to appoint an Asset Management Liaison (pending). This individual(s) will be responsible for all assets in their respective department. The Liaison will work directly with the college Asset Manager throughout the year and during the college's yearly re-inventory.

### **What are Capital Assets?**

Capital assets are real or personal property that have a value equal to or greater than the capitalization threshold for the particular classification of the asset in addition to having an estimated life of two years or greater.

Capital assets comprise a significant part of the City University of New York's (CUNY) resources and capital expenditures are a significant portion of CUNY's budget. It is CUNY's policy to maintain accurate and complete records of college property.

## **Purpose**

The City University of New York requires every College and its respective departments or units, including Central Office, to acquire, record, inventory and dispose of capital assets accordingly. All assets meeting the definition of a capital asset shall be considered a long-term asset and shall be recorded in CUNYfirst. The college is responsible to account for all long-term assets under its jurisdiction. Such assets shall be systematically and accurately recorded; properly classified; and adequately documented. The college has establish an internal control structure over capital assets that provides reasonable assurance of effective and efficient operations, reliable financial reporting, and compliance.

CUNY's policy to maintain accurate and complete records of property, plant and equipment and to capitalize and depreciate these assets according to appropriate accounting, tax, and regulatory requirements. Once an asset's cost is capitalized, it will be written off periodically, or depreciated, in a systematic manner over the estimated useful life of the asset. Capital expenditures must follow an established review and approval process to ensure their appropriateness.

Capital assets are also subject to various legal provisions (e.g., building codes, copyright laws, property rights, etc.) as well as specific Internal Revenue Service (IRS) requirements (for instance, the IRS, has specific rules on how capital assets donated to the University as gifts are used, disposed of, recorded and reported). This policy has been prepared to provide information about the Property Management Office and its role in maintaining accurate inventory records. This policy will also describe CUNY's requirements for capital asset tagging and the role of CUNY property asset departments in this process.

## **Acquisition and Tagging**

All tax levy and non-tax levy assets are normally received at the College Central Receiving/Warehouse located at P105. The College at times may receive direct shipments bypassing the Warehouse and the asset are delivered directly to the department. However, any asset received either by Central Receiving/Warehouse or a direct shipment must follow the receiving procedures as per CUNY and College policy.

Assets that meet the CUNY capital asset threshold are assigned KIN numbers (white color bar-coded tags) and are loaded to the CUNYfirst Asset Management System

by the Fixed Assets Manager. It is important that the delivery of any asset is correctly received so that the information can be entered into CUNYfirst. Incorrect information will result in a very time consuming process during re-inventory. So having the correct department, room number the asset is located in and who the custodian will be.

### **Untaggable Assets**

There are certain assets that have been determined to be untaggable but have a dollar value that exceeds the CUNY threshold. Items such as computer software and mechanical components that are attached to a physical building structure would we designated as untaggable. Verification that these assets exist will be documented in an email by the departments Director. We are in the process of creating a separate logbook for items that are Untaggable. Untagables, such as the Art Work Book, will be updated to reflect all Art Work currently listed in CUNYfirst. A Boat and Vehicle Logbook will be created and if necessary, a replacement KIN tag will be assigned if the current KIN tag is missing or cannot be accessed. Computer software and building infra structure equipment attached to the physical building or a component of a functioning system will be documented in a logbook supported by department email for verification of the existing asset and the assigned KIN tag number.

### **Internal Shadow System**

As approved by the Vice President for Finance & Administration, selected equipment with a purchase cost of less than \$5,000 such as Printers, monitors, Air conditioner, refrigerator, etc. that are defined as sensitive to theft will be tagged with KCC **Blue Internal Tags** (blue color bar-coded tags) with the exception of iPads, laptops and desktops. The Fixed Assets Manager will track and monitor these assets using an Internal Shadow System.

### **SENSITIVE ITEMS**

**“Sensitive” Items** – Selected equipment with a purchase price less than \$5,000 such as IPADS, laptops, desktops, A/V equipment, etc. are defined as “Sensitive” to theft and must be tagged. An audit of capital assets that meet capitalization thresholds and sensitive inventorial items must be performed annually (i.e. re-inventory). Re-inventory scope includes all assets acquired during the fiscal year. KCC must

complete their re-inventory by December 31st of the current year, unless otherwise specified. The college must comply with the requirement that the total value of items “Not Found” is the lesser of \$300,000 or 5% of a College’s total inventory value. Re-inventory categories include the following asset classes:

- Equipment
- Computer Hardware
- Computer Software (Purchased)
- Smart Classroom
- Vehicles
- Furniture & Fixture
- Works of Art and Historical Treasures

## **FIXED ASSETS DISPOSAL POLICY**

### **PURPOSE**

Proper and timely disposal of all obsolete or other fixed assets within the campus.

### **PROCESS**

☐ The Department will identify the asset(s) to be disposed, fill out the CUNY Property Control form and notify the Fixed Assets Department (**Abhishek Grover ext. 5165 or Bill Rosenblum ext. 6779**)

If the asset(s) is a **technology item**, the IT Department under AVP/College CIO Asif Hussain should be contacted (**ext.6674**). The IT department will work with the Fixed Assets Manager will arrange for the disposal of the assets.

The asset(s) cannot be removed from the department’s requested location until the CUNY Property Control Form is filled out, signed, dated by the department’s Chairperson/Director/Vice President/Dean. The **original copy** is sent to the Fixed Assets office located in P105. The departments should keep a copy for their records.

The asset(s) **cannot be removed** until the Fixed Asset Manager or his designee has the opportunity to visit and assess the asset(s) that are being disposed of.

Once approved, the Fixed Asset Manager will contact the department and advise them to create a work order for the asset(s) to be removed and brought down to the warehouse for disposal.

The asset(s) on the CUNY Property Control Form **must match** what is being removed from the department. If there are any discrepancies, the asset(s) will not be removed and a new Property Control form will be required.

The Fixed Assets Manager will update the CUNYfirst Asset Management system once the process is completed.

**NOTE:** In certain instances, the Office of Environmental Health and Safety will need to be involved to ensure that there are no safety or health related concerns regarding the asset(s) being disposed.

### **Asset Transfer/Relocation/Salvage**

Departments must notify the Fixed Assets Manager on a regular basis of any asset salvage, relocation within the campus, internal or external transfers, change in custodian etc. to maintain an accurate database.

The Property Control form, which can be accessed on the KCC Asset Management Web page, must be used to communicate this information. The CUNY tag number, item description, manufacturer, model number, serial number, old location of the asset and new location must be filled out and signed by the department's Chairperson or Director.

### **Lost/Stolen Assets**

#### **Purpose**

To ensure any lost or stolen asset(s) are reported to the college's Public Safety Office and are documented in CUNYfirst. The Public Safety Office will conduct an investigation and provide Asset Management with a written report.

## **PROCESS**

- According to internal control guidelines issued by CUNY, all Colleges are required to report the theft or loss of any equipment or assets to the Public Safety.
- A copy of this incident report should also be provided to the Fixed Assets Manager for these items to be marked as “Loss/Stolen” in CUNYfirst
- After reviewing, Property Management personnel will send a copy of the report including the list of items that have been disposed as stolen or loss in CUNYfirst to the Office of the University Controller.
- If items marked as loss/stolen are subsequently found, the Fixed Assets Manager is to be notified via email indicating that the item has been recovered and is again part of the college inventory.

All lost or stolen asset(s) that are identified will be reported to Public Safety and are documented in the Fixed Assets and Public Safety Office

## **Direct Shipments**

### **PURPOSE**

To ensure the proper tagging of capitalized assets with a CUNY purchase order that bypasses the Warehouse and is delivered directly to the department.

### **PROCESS**

- The Department Liaison will be responsible for coordinating with the Fixed Assets Manager to ensure that the asset was received and recorded into CUNYfirst and the Asset Manager is provided with the Purchase Order and the CUNYfirst receipt.
- If the asset(s) is a technology item, the IT Department under AVP/College CIO Asif Hussain should be contacted (ext.6674). The IT department will work with the Fixed Assets Manager to make arrangements for the tagging of the asset.



- If an asset is NPT (Non Physically Taggable) such as Software, Vehicles, Artwork etc., the Fixed Assets Manager should be notified via Email.
- The Fixed Assets Manager will update the CUNYFirst Asset Management system once the process is completed.

**NOTE:** In certain instances, the Office of Environmental Health and Safety will need to be involved to ensure that there are no safety or health related concerns regarding the asset(s) being directly shipped.

### **Physical Re-inventory**

An audit of capital assets that meet capitalization thresholds and sensitive inventorial items must be performed annually (i.e. re-inventory). Re-inventoried assets includes all Tax Levy (assets purchased with city and state funding) and non-tax levy funds which are purchased through Research foundation, Association, Auxiliary and Foundation). The College must complete their re-inventory by December 31st of the current year. The college must comply with the requirement that the total value of items “Not Found” is the lesser of \$300,000 or 5% of a College’s total inventory value. Re-inventory categories include the following asset classes:

- Equipment
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- Vehicles
- Furniture & Fixture
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### **Post re-inventory procedures**

At the conclusion of the re-inventory process, the Asset Management department obtains sign off documents from each department that has assets that cannot be located. Missing assets that were located in the prior year re-inventory and were not found in the current re-inventory are reported to Public Safety for investigation.

If Public Safety determines the asset cannot be located, an official report is submitted. The report from Public Safety is sent to the Asset Manager who then requests a signed Property Control form from the department. Once this is completed, the Asset Manager removes the asset from CUNYfirst and leaves a note in CUNYfirst for that asset. A copy of all Public Safety reports and Property Control forms for missing assets are sent to the Vice President for Finance & Administration for review. The Public Safety Report and the Property Control form remain on file with the Asset Manager.

Prepared by: Bill Rosenblum 8/23/17

The document includes excerpts from the CUNY Capital Asset Policy effective 7/1/16