

IV 04 02 Sensitive Minor Equipment Control

RESPONSIBILITY

It is the responsibility of the budgetary unit head to maintain an accurate inventory, control and monitor the Category B assets located within their respective area for both main campus and any satellite or off campus location. Category A assets are the responsibility of Information Technology. All employees should be made aware of the importance of the safekeeping of institutional property. The policies and procedures described in this document are to be considered minimum controls for SME. Additional controls should be implemented by the departments if considered necessary.

DEFINITION

Sensitive minor equipment (hereafter “SME”) defined for this policy is any nonexpendable personal property easily transported or at a high risk of theft or misappropriation, including personal use, resale or removal from a VSCC official location, has a useful life of more than one year and a total cost or fair value (for donated items only) between \$ 1,500 and \$4,999.99, regardless of the funding source.

SME shall include, but is not limited to, the specifically defined items on the list below:

Category A: Computer and A/V Equipment

1. Network Switches and Routers
2. Computers (Laptops, Desktop or Server)
3. Projectors or other A/V Equipment
4. Televisions
5. Portable Electronic Devices (IPad, Surface, Tablets, Scanners)
6. TAF Items
7. Security/Surveillance Camera
8. Studio Equipment

Category B: Other Equipment

1. Cameras – 35mm, digital still and video
2. Camera Lenses
3. Instructional/Medical/Lab Equipment
4. Weapons (regardless of cost)
5. Other Non-TAF Items

SME items should be tagged as follows:

Category A Items - Green	Category B Items - Purple
OR if paid for with Grant Funds, Yellow	OR if paid for with Grant Funds, Orange
OR if paid for with TAF funds, Red	

The useful life of SME assets is estimated at 3 years, after which the fair value will be considered nominal. Since the fair value will be considered nominal after 3 years, annual inventory of the item may no longer be required.

GRANT FUNDED PROPERTY

Property purchased with grant funds will be managed according to the property management standards of the grant making body or federal rules, whichever is applicable.

PURCHASES

All purchases shall be made in accordance with the College's policies IV:02:01- Purchasing Procedures, VII:01:05-Purchasing Computer Related Hardware and Software and Tennessee Board of Regents' policy 4-02-10-00 - Purchasing Policies and Procedures.

RECEIPT OF PROPERTY

The department receiving the property is responsible for documenting the receipt of all items purchased and authorizing payment. The documentation of the receipt can be any of the following methods.

- SciQuest – departmental representative documents receipt thru SciQuest.
- Procurement Card – departmental representative maintain activity log with all supporting documentation.
- Check Request – completed in entirety and with all the approval signatures and required documentation attached, and routed to the Business Office.

CLASSIFICATION OF PURCHASES

Representatives of the Business Office will confer with the requisitioner to resolve any questionable classifications of purchases in order to provide for proper recording of the expenditure.

RECORDING AND TAGGING SME

Upon receipt and for their respective SME asset category, each department is to enter SME information into the SME Inventory Listing maintained by Department Staff. Each SME asset will be assigned an inventory number and tagged (inventory tag to be obtained from Information Technology) by the Department Staff for both main campus and any satellite or off campus location. The tag will remain on the item until such time as the item no longer located at an official college location.

DELETING EQUIPMENT INVENTORY ITEMS

Generally, items will be deleted from the SME inventory list for the following reasons:

1. Traded in
2. Lost or stolen
3. Transfer to other institutions and schools within the TBR system
4. Transfer to other state agencies
5. Sale to eligible political subdivisions of the state and other governmental entities
6. Public auction, publicly advertised and held
7. Sale under sealed bids, publicly advertised, opened and recorded
8. Negotiated contract for sale, at arm's length; but only in those instances in which the availability of the property is recurring or repetitive in character, such as marketable waste products
9. Donations to a public school or public school system
10. Item destroyed by an appropriate method because it was determined not to be usable by the institution and has little or no salvage or other economic value.

All disposals of items using methods 3 through 10 must be approved by the Vice President for Business and Finance or the Assistant Vice President for Business and Finance. This approval will serve as the authorization for the Department staff to record the removal of the item, after final disposition, from the SME asset inventory list. For item number 2, the appropriately completed property loss report submitted to the TBR will serve as authorization to remove the item from the inventory list.

Transfers, sales and disposals of SME assets purchased with grant or other restricted funds must be done so in accordance with the granting authorities' policies and procedures.

See TBR Policy 4:02:20:00 – Disposal of Surplus Personal Property for specific details related to disposal of surplus personal property.

DONATED PERSONAL PROPERTY

All donations of personal property should be accepted in accordance with the College's and Tennessee Board of Regents' policy concerning gifts to the institution. Unless otherwise designated as prescribed by the TBR's policy 4:01:04:00, only the President is authorized to accept gifts to the College. Donated items should be coordinated with the Foundation. The value to use in recording the gift-in-kind should generally be the lower of the fair market value on the date of the gift or the reasonable value of the gift-in-kind to the institution. The value to be used in recording the gift-in-kind must be determined by the department receiving the use of the item and approved by the President or his designee before being submitted to the Business Office. The appropriate ledger accounts will be charged with an expenditure equal to the value determined and an institutional revenue account will be credited. All donated SME must be tagged and inventoried.

SURPLUS PROPERTY

The Vice President for Business and Finance and/or the Assistant Vice President for Business and Finance is designated the authority for the disposal of surplus property, and the communications and procedures concerning the disposal of surplus personal property. The Director of Facilities is also authorized to coordinate the disposal of surplus property.

When a department or division determines that the SME asset is no longer needed in their area, a Surplus Property Form can be obtained on the VSCC website: <http://www.volstate.edu/BusinessOffice/Forms.php> requesting items be removed from the department or division. The form is to be completed and forwarded to the Vice President of Business and Finance. If appropriate, the Vice President will notify other campus units of the availability of these items. If no interest is given, the Vice President for Business and Finance will forward the form to the Shipping & Receiving Department (Maintenance) requesting the items be removed to an appropriate storage area. The tag numbers should not be removed from the items.

Upon removal of the item, the Shipping & Receiving Department must sign the surplus property form and send a copy to the Business Office to indicate the item has been moved to a proper area designated for surplus property. Upon receiving the completed form, appropriate accounting entries will be made by the Business Office to remove the item from the department's inventory listing and to designate such items as surplus property. The property will be disposed of as provided by TBR Policy 4:02:20:00.

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PHYSICAL INVENTORY

A physical inventory of all SME is to be completed at least annually. Sampling is an acceptable method of conducting the physical inventory. An inventory listing maintained by each Department Head is to be distributed to the custodians of each asset category (i.e. the Information Technology Department will be responsible for items listed in Category A and each respective Department Head for items listed in Category B). Each item listed is to be located; tag number and description should be verified. All changes in location, status (working, surplus, disposed), custodian, etc....should be indicated on the inventory listing. The inventory lists are then approved by the Department Head and returned to the Business Office. The Business Office or Internal Audit may, at its discretion, physically audit selected items.

MOVEMENT OF PROPERTY

During the year when items are moved between rooms or areas of the college, Department Staff or Information Technology staff should update the inventory listing. This will help eliminate location differences during the physical inventory. Also, any item, whether tagged or not, that is removed from VSCC or off-campus official locations must be noted on the inventory listing. In the event of any personal use or any unauthorized removal from the official location of property, TCA sections 8-19-501 concerning shortages of state moneys or the unauthorized removal of state property would apply.

MISSING OR STOLEN PROPERTY

State law requires that any official of any agency of the State of Tennessee having knowledge of shortages of state moneys or the unauthorized removal of state property report such shortages or removal immediately to the Comptroller of the Treasury. To comply with the law, employees should report, as soon as possible, in written form any SME asset not accounted for to the Vice President for Business and Finance and the Chief of Campus Police. The notification should include a description of the item, tag number and serial number if available. It is required that the Chief of Campus Police send the local law enforcement a police report detailing each missing item. The Vice President for Business and Finance must then file a property loss report with an attached copy of the police report to the Tennessee Board of Regents who will then file a report with the Comptroller's office. Therefore, all missing property reports, whether identified immediately or through an inventory review, must include a police investigation report or an explanation from the Vice President as to why no report is submitted. Missing SME assets can be removed from the college's records only after the above forms have been submitted by the Vice President for Business and Finance. Also, please refer to VSCC Policy I:01:05 Reporting Losses of College Property and Resources for additional details.

EMPLOYEE-OWNED ITEMS

The College will assume no responsibility for employee-owned items. Such items must be removed when the employee ceases to be employed by the College.

PERSONAL USE

Personal use of college property is prohibited.

RECONCILIATION

There are no general ledger control accounts for SME assets; therefore, no annual or year-end reconciliation, apart from that which is related to the annual inventory, is necessary.

TBR Source: New Guideline approved at Presidents Meeting, August 17, 2010. Revised at Presidents Meeting, February 4, 2014; Revised at Presidents Meeting, August 19, 2014; Revised at Presidents Meeting, May 19, 2015.

VSCC Sources: President's Cabinet, July 13, 2015