

STOCKTON UNIVERSITY



POLICY

Fixed Assets

Policy Administrator: Controller

Authority:

Effective Date: January 11, 1977; June 15, 2009; February 16, 2011

Index Cross-References:

Policy File Number: VI-42

Approved By: Board of Trustees

1.00 Purpose

The University has a significant investment in fixed assets (land, buildings, infrastructure, and equipment) used to carry out its mission. In addition to the main campus, the Stockton University maintains several off-site facilities including, but not limited to, Nacote Creek Marine Station and the Carnegie Library and several parcels of undeveloped land. The purpose of this procedure to ensure that the University's fixed assets are acquired, safeguarded, controlled, disposed of, and accounted for in accordance with state and federal regulations, and applicable accounting pronouncements. Responsibilities and procedures described in this section apply to the acquisition, transfer, disposition, reporting, and physical inventory of University assets. These procedures are necessary to effectively manage and control assets and to comply with Federal, State, and University guidelines and generally accepted accounting principles.

2.00 Definitions

2.1 **PROPERTY TRANSFER** – Property Transfer Request Form.

2.2 **REQ** – Requisition.

2.3 **Equipment** - University property of any kind, which meets the following criteria: is complete in itself; does not lose its identity or becomes a component of the building where it resides and is of a durable nature with a useful life three years or more.

2.4 **BFAM** – Banner Fixed Asset Module.

- 2.5 **Fixed Assets** - A general term which includes all types of fixed assets: land, buildings, improvements, infrastructure, construction in progress, equipment, and certain internal-use software.
- 2.6 **Controller's Office** - Individuals within the area of the Fiscal Affairs Department are responsible for accounting and financial reporting of fixed assets, including related debt and management of surplus property.
- 2.7 **PO** - Purchase Order.
- 2.8 **Surplus property** – In accordance with N.J.S.A. 18A:64-78, means the manner of sale of personal property not needed for University purposes. Any University may, by resolution of its board of trustees, authorize the sale if the estimated fair value of the property to be sold exceeds the current bid limit threshold and shall be sold at public sale to the highest bidder. Certain items may be donated to federal or state agencies and to not for profit organizations.
- 2.9 **Organization (Org)** - Identifies the departmental budget number

3.00 Responsibilities

3.1 Controller's Office

- To maintain the official fixed asset master file records for University assets.
- To summarize financial activity for inclusion in the plant fund portion of the University's financial statements.
- To interpret and comply with University, federal and state policies and procedures regarding fixed assets and surplus property.
- To perform accounting and reporting for capital projects.
- To perform accounting and reporting for debt (used to fund capital projects, capital leases, and installment purchases).
- To manage the surplus property operations in accordance with N.J.S.A. 18A:64-78.
- To provide customer service to University departments.
- To coordinate the physical inventory process for the University annually.

3.2 Department Heads

- To ensure that equipment belonging to their department is adequately controlled and safeguarded.
- To designate an individual as the departmental Fixed Asset Coordinator for maintaining equipment records, conducting an annual physical inventory, scheduling appointments for tagging equipment, and communicating with The Controller's Office to ensure accurate equipment data.

- Track computer equipment and report the status to The Controller's Office during the annual physical inventory.

3.3 Departments

- To conduct an annual physical inventory and provide results for updating the official fixed asset records.
- To report regularly to The Controller's Office (Using the Property Transfer Request form) equipment transfers from one department to another department, equipment relocation to a different building, or property disposals as a result of trade-in, cannibalization for parts, theft, or other insurable loss.

4.00 Capitalization Policy

With the exception of donated assets, fixed assets are accounted for at the original acquisition cost, which includes the purchase price or constructed cost, plus any cost incurred to place an asset into service. Interest is capitalized on assets that are constructed or otherwise produced for an institution's own use, including assets constructed or produced for the institution by others for which deposits or progress payments have been made. Donated assets are recorded at fair market value at the date of donation.

4.1 Depreciation

The University uses the straight-line method of depreciation (historic cost less residual value divided by useful life) for all depreciable fixed assets with the exception of land and construction in process. Depreciation is taken in the month that the asset is put into service. Facilities Planning and Construction and Plant Management and Housing Maintenance departments will provide reports monthly to the Controllers' Office detailing all construction in progress which identifies when assets are completed and put into service.

4.2 Residual Value

In order to calculate depreciation for an asset, the estimated residual value must be declared and deducted before depreciation can be calculated. The use of historical sales information becomes invaluable for determining the estimated residual value. Since the residual value of machinery and equipment is normally nominal for Stockton University, there will be no residual value considerations.

There will be no residual value for buildings, building improvements, other structures, and infrastructure based on historical data.

4.3 Sale of Capital Assets

When an asset is sold, a gain or loss must be recognized in the accounting records when:

- Cash is exchanged and the amount paid does not equal the net book value of the asset.
- Cash is not exchanged and the asset is not fully depreciated or has a residual value.

Example:

Asset's Historical Cost:	\$10,000
Less Accumulated Depreciation	<u>7,000</u>
Net Book Value	\$ 3,000
Proceeds Received	<u>2,000</u>
Loss from Sale of Asset	\$ 1,000

4.4 Assets Acquired by the Exchange of Other Assets

Similar Assets: When recording an exchange of similar assets, the University must use a book value basis for the asset surrendered or acquired.

- When assets are exchanged and no monetary consideration is paid or received, the cost of the asset acquired is recorded at the book value of the asset surrendered.
- Where monetary consideration is given, the new asset must be recorded at the sum of the cash paid plus the book value of the asset surrendered.

Dissimilar Assets: When recording an exchange of dissimilar assets, the University must:

- Record the value of the asset being traded and the resulting transaction for acquiring the new asset, using the fair value of the asset being traded.
- If cash is used to purchase the asset, the University must record the transaction for the new asset as cash paid plus the fair value of the asset surrendered.

Buildings **40 to 60 years**

Infrastructure **20 to 40 years- review**

Land Improvements **10 to 25 years**

Equipment **3 to 15 years**

4.5 Land

Land is the surface of crust of the earth, which can be used to support structures, and may be used to grow crops, grass, shrubs, and trees. Land is characterized as having unlimited life (indefinite), therefore it is not depreciated. All land is capitalized at historic cost.

- Original purchase price or fair market value at time of gift
- Commissions
- Professional fees, such as title searches, architectural, legal, engineering, appraisal, surveying, environmental assessment, etc.
- Land excavation, filling, grading, drainage, etc.
- Removal, relocation, or reconstruction of property of others, such as railroad tracks, telephone lines, power lines, etc.
- Interest on mortgages accrued at date of purchase
- Other costs incurred in acquiring the land
- Water wells, including the initial cost for drilling, the pump and its casing, etc.
- Rights-of-way

4.6 Buildings

A building is a structure that is permanently attached to the land, has a roof, is partially or completely enclosed by walls, and is not intended to be transportable or moveable. With the exception of structures that are temporary in nature capitalized at \$5,000, the capitalization threshold for buildings and building improvements is \$100,000:

- Original purchase price including remodeling, reconditioning, or altering the purchased building to make it ready for use.
- Furniture purchased for newly constructed assets will be capitalized using the “group method” and depreciated over 7 years; these assets individually will fall below the capitalization threshold of \$5,000 and will not be tracked individually; once fully depreciated the “group” will be disposed of in the BFAM.
- Environmental compliance including abatements.
- Professional fees: legal, architectural, inspection, title search, permits, etc.
- Payment of unpaid or accrued taxes on the building to date of purchase.
- Cancellation or buyout of existing lease.
- Other costs incurred to place the building into service.

4.7 Constructed Buildings:

- Completed project costs.
- Interest accrued during construction.
- Costs of excavating, grading or filling land for a specific building.

- Expenses incurred for the preparation of plans, specification, blueprints, bid documents, etc.
- Professional fees, such as legal, architectural, engineering, management fees for design and supervision (construction management), etc.
- Cost of temporary building used during construction (trailers).
- Unexpected costs such as rock blasting, pilling, relocation of the channel of an underground stream, etc.
- Permanently attached machinery or fixtures that cannot be removed without impairing the use of the building.
- Additions to building such as expansions, extensions, overbuilds, enlargements, etc.

4.8 Improvement to Buildings:

For improvements to be capitalized, it must be part of a major repair or rehabilitation project, which meets or exceeds the capitalization threshold of \$100,000, or the expenditures increase the value or useful life of the building by 25%, or both. The useful life of the improvement should generally not exceed that of the original asset. However, if the improvement is not an integral part of the original asset, it may possess a different useful life than the parent asset. For example, the useful life of a floor renovation project should not exceed the useful life of the building asset to which it relates because it is an integral part of the building that cannot exist on its own. Alternately, a wing addition to a building could have a useful life that exceeds the life of the building to which it is attached.

Building improvements increasing the building's useful life by at least 25% of the original life period should be capitalized in one of two ways:

1. Capitalize as betterment and record as an addition of value to the existing building using a parent/child asset (component unit) management relationship. The parent's useful life should be modified for the increase in useful life.
 2. Recapitalizing the unamortized portion of the original building along with the eligible improvements as a new building asset and retire the original building asset. This procedure would be used in cases where major renovations are completed.
- Conversions of attics, basements or etc. to usable office space, classrooms, etc.
 - Structures attached to the building such as enclosed stairwells, garages, covered patios etc.
 - Installation or upgrade of heating and cooling systems, including ceiling fans and attic vents.
 - Original installation or upgrade of wall or ceiling covering, carpeting, tile, paneling, parquet, etc.

- Structural changes such as reinforcement of walls, installation or replacement of beams, rafters, joints, steel grids, or other interior framing.
- Installation or upgrade of window or door frames, windows or doors, built-in closets or cabinets, etc.
- Interior renovations associated with casings, baseboards, light fixtures, ceilings and trim, etc.
- Exterior renovations such as installation or replacement of siding, roofing, masonry, etc.
- Installation or upgrade of plumbing and electrical wiring.
- Installation or upgrade of phone or closed circuit television systems, networks, fiber optic cables, wiring required that will remain in the building, etc.
- Other costs associated with the above improvements.

4.9 **Building Maintenance Expense**

Items not to be capitalized as building improvements instead should be recorded as maintenance expense:

- Adding, removing or moving walls relating to renovation projects that are not considered major rehabilitation projects and do not increase the value of the building.
- Improvement projects of minimal or no added life expectancy and/or value to the building.
- Plumbing or electrical repairs.
- Cleaning, pest examination or other periodic maintenance.
- Interior decorations such as draperies, blinds, curtain rods, wallpaper etc.
- Exterior decoration such as removable awnings, uncovered porches, decorative fencing, etc.
- Interior maintenance type renovations, such as painting, plaster repair, replacement of carpet, tiles, or panel sections, sink and fixture refinishing, etc.
- Exterior maintenance type repairs or maintenance such as painting, replacement of deteriorating siding, roof or masonry sections, etc.
- Replacement of a part or component of a building with a new part of the same type and performance capabilities, such as replacement of an old boiler with a new one of the same type and performance capabilities, replacement of a roof, etc.
- Any other maintenance-related expenditure that does not increase the value or useful life of the building.

4.10 Infrastructure

The capitalization threshold for infrastructure is \$10,000 for major systems.

- Road systems
 - Pavements
 - Traffic control devices
 - Signage
 - Curbs
 - Sidewalks
- Water Systems
 - Main lines
 - Distribution lines
 - Fire hydrants
 - Water meters
 - Valves, joints, bends
- Drainage Systems
 - Catch basins
 - Storm drains
 - Inlets
 - Pipes
 - Detention/retention facilities
 - Junction boxes
- Sewer Systems
 - PVC pipe
 - Manholes
 - Laterals
 - Lift stations
- Fiber Optic and Telephone Distribution Systems Between Buildings
 - Fiber optic cables
- Waterway Systems
 - Canals
 - Wharves
 - Docks
 - Sea walls
 - Bulkheads
 - Boardwalks

Improvements such as pavements, streets, sidewalks and storm drainage systems, are charged to Infrastructure because they are relatively permanent in nature, normally can be preserved for a longer life than most other capital assets and are maintained and replaced by the University. Infrastructure improvements are capital events that materially extend the useful life or increase the value of the infrastructure, or both. Infrastructure improvements should be capitalized and recorded as an addition of value to the infrastructure if improvement or addition of value is \$10,000 or more. Depreciate the amount of improvement over the remaining life of the asset using the component unit relationship. If the improvement increases the life of the asset, the asset takes on a new useful life. If the \$10,000 was expended intermittently throughout the year, it should probably be considered an expense rather than a capital improvement; intent being the determining factor.

Infrastructure funded through a joint venture between the University and other governmental entities should be capitalized by the entity responsible for future maintenance (to bear the benefit and burden of ownership).

Additions and improvements are those capital outlays that increase the capacity or efficiency of the asset. A change in capacity increases the level of service provided by an asset. For example, additional lanes can be added to a highway or the weight capacity of a bridge could be increased. A change in efficiency maintains the same service level, but at a reduced cost. For example, a heating and cooling plant could be reengineered so that it produces the same temperature changes at reduced cost. The cost of additions and improvements should be capitalized if \$10,000 or more.

Maintenance costs are expensed in the period incurred.

4.11 Land Improvements

The capitalization threshold for land improvements is \$10,000. Improvements with limited lives, such as private driveways, walks, fences, and parking lots, certain signs, landscaping, outside sprinkler systems, athletic fields, paths and trails, tennis courts, basketball courts, fountains, plazas, pavilions and retaining walls, are also recorded as Land Improvements and depreciated over their estimated lives. Improvements made to land should be capitalized if the improvement is at the capitalization threshold, or the expenditure increases the life or value of the asset by 25% of the original life period or cost. The useful life of the original asset may be modified to reflect an increase in useful life. The useful life of the addition or improvement should generally not exceed that of the original asset. However, if the improvement is not an integral part of the original asset, it may possess a different useful life.

4.12 Equipment

Equipment is either a fixed or movable tangible asset to be used for operations, the benefits of which extend beyond three years from date of acquisition and rendered into service. The capitalization threshold for equipment is \$5,000. Improvements or additions to existing equipment that meet the capitalization threshold and increase the value or life of the asset by 25 percent of the original cost or life should be capitalized and recorded as an addition of value to the existing asset using the component unit relationship. The useful life of the original asset may be modified to reflect an increase in useful life. The useful life of the addition or improvement should generally not exceed that of the original asset. However, if the improvement is not an integral part of the original asset, it may possess a different useful life. For example, new memory in an existing file server that can be moved to another file server if necessary.

Acquisition Costs Include the Following:

- Original contract or invoice price
- Freight charges
- Import duties
- Handling and storage charges
- In-transit insurance charges
- Sales, use and other taxes imposed on the acquisition
- Installation charges
- Charges for testing and preparation for use
- Costs of reconditioning used items when purchased
- Parts and labor associated with the construction of equipment

4.13 Works of Art and Historical Treasures

All works of art and historical treasures acquired or donated will be capitalized, unless held for financial gain. If a collection is held for financial gain and not capitalized, disclosures must be made in the notes of the financial statements to provide a description of the collection and the reason these assets are not capitalized. When donated collection items are added to non-capitalized collections, program expense equal to the amount of revenues should be recognized.

Works of art are collections of individual items of significance that are owned by an institution, which are not held for financial gain, but rather for public exhibition, education or research in furtherance of public services. Historical treasures are collections or individual items that are protected and cared for or preserved and subject to an organization policy that requires the proceeds from sales of collection items to be used to acquire other items for collections.

Exhaustible collections or items are items whose useful lives are diminished by display or educational or research applications. Inexhaustible collections or items are items where the economic benefit or services potential is used up so slowly that the estimated useful lives are extraordinarily long. Because of their cultural, esthetic, or historical value, the holder of the asset applies efforts to protect and preserve the asset in a manner greater than that for similar assets without such cultural, aesthetic, or historical value.

- Collection of rare books and manuscripts
- Maps, documents, and recordings
- Works of art such as paintings, sculptures, and designs
- Artifacts, memorabilia, and exhibits
- Unique or significant structures

4.14 Leased Land, Buildings, and/or Equipment

Land, buildings, and/or equipment should be capitalized if the lease agreement meets any one of the following criteria:

1. The lease transfers ownership of property to the lessee by the end of the lease term.
2. The lease contains a bargain purchase price.
3. The lease term is equal to 75% or more of the estimated economic life of the leased property. Leases with annually renewable lease terms, in which the likelihood of non-renewal is remote, should be considered a long-term lease for purposes of evaluation of this criteria.
4. The present value of the minimum lease payments at the inception of the lease, excluding executor costs, equals at least 90% of the fair value of the leased property.

4.15 Computer Software

Colleges and universities are required by the National Association of Colleges and Universities Business Officers (NACUBO) to adopt the AICPA Statement of Position 98-1, *Software Development or Obtained for Internal Use* (SOP 98-1).

For software to be considered for internal use, the institution must meet the following tests:

1. The software must be acquired, internally developed, or internally modified solely to meet the institution's needs, **and**,

2. During the software's development or modification, the institution must not have a substantial plan to market the software externally to other organizations.

Capitalization Costs:

1. Preliminary Project Phase: When conceptual formulation of alternative, the evaluation of alternative, determination of existence of needed technologies, and final selection of alternative is made.
2. Application Development Phase: Design of chosen path, including software configuration and software interfaces, coding, installation of computer hardware, and testing, including parallel processing phase.
3. Post-Implementation/Operation Phase: training and application maintenance activities.

Costs associated with the Preliminary Project and the Post-Implementation/Operating phases should be expensed as incurred. Internal and external costs associated with the Application Development phase should be capitalized. Costs to develop or obtain software that allows for access or conversion of old data by new information systems should also be capitalized. General and administrative costs and overhead expenditures associated with software development should not be capitalized as costs of internal use software.

Capitalizing of costs should begin when the Preliminary Project phase is completed and the institution's management has implicitly or explicitly authorized or commits to funding the software project with the intent it will be completed and used to perform its planned functions. Capitalization should cease no later than the time at which substantial testing is complete and the software is ready for its intended purpose or rendered in service.

- External direct costs of materials and services, such as third party fees for services.
- Costs to obtain software from third parties.
- Travel costs incurred by employees in their duties directly associated with the development.
- Payroll and payroll-related costs of employees directly associated with or devoting time in coding, installing, or testing.
- Interest costs incurred during the application development.

4.16 Construction in Progress

Construction in progress reflects the economic construction activity status of buildings and other structures, infrastructure (roadways, energy distribution systems, pipelines, etc.), additions, alterations, reconstruction, installation, and maintenance and repairs that are substantially incomplete. Depreciation is not applicable. Construction in progress assets should be capitalized to their appropriate capital asset categories upon the earlier occurrence of execution of substantial completion contract document, occupancy, or when the asset is placed into service.

5.00 Acquisitions

5.1 Identifying Fixed Asset Items and Tagging

By analyzing weekly the "Potential Fixed Asset" report generated from the University's Financial Information System (BFAM), the fixed asset accountant identifies equipment purchases for tagging. The report provides a list of all accounts payable invoices recorded in fixed asset accounts (79xxxx). The fixed asset accountant selects expenditure transactions that are \$5,000.00 or greater. Actual vouchers are then pulled and reviewed in detail.

Acquisitions of land, buildings, infrastructure, improvements, and the purchase of equipment are funded and identified through the issuance of tax exempt financing or the capital budgeting process.

Fixed asset acquisitions are made subject to approved operating and capital project budgets consistent with University Policy. The banner fixed asset accounts to be used for capitalization are described in Appendix II.

Assets purchased with grant funding that meet the University's capitalization threshold will be capitalized and depreciated over the asset's useful life. The grants accountant will forward a list of all assets purchased to the fixed asset accountant monthly.

5.2 Tagging Equipment

Following assignment of tag numbers, the departmental fixed asset coordinator is contacted to schedule an appointment for tagging if the assets are not received directly by Central Stores. Information identifying the equipment is provided when the appointment is set up. Tagging should be completed within 30-45 days following acquisition of the equipment. Tagged assets are listed on departmental inventory reports that are updated annually by departments through the physical inventory process. Each department has an obligation to notify Fiscal Affairs (Controller's Office) if they have untagged equipment with a value of \$5,000.00 or more.

During the tagging process, data such as serial number, model number, and location (building & room) is gathered to complete the fixed asset record. This information is not typically found on the supporting purchasing documentation.

Following the tagging of equipment, additional information may be entered into the Banner Fixed Asset Module to record related data. Edits are verified to ensure the accuracy and integrity of the data that was entered. This is maintained to provide timely information for customer inquiries and used for financial statement preparation.

6.00 Equipment Transfers & Disposals

At some point, a department or office may no longer need a piece of equipment currently in their possession. If the equipment has a tag bearing the name of the University, the department should complete a Property Transfer Request form detailing the transfer or disposal instructions, see Appendix I.

6.1 Transfers

- **To Another Building within the Same Department:**
For Tagged Equipment - Complete a Property Transfer Request form and send to Central Stores.
- **To Another Department:**
For Tagged Equipment - Complete a Property Transfer form and send to Central Stores.
- **To Surplus Property:**
Complete a Property Transfer Request form and it will be handled according to N.J.S.A. 18a:64-78.
- **Donation to Non-Profit:**
According to N.J.S.A. 18a:64-7 8 personal property may be donated if the value of the property is below the current bid threshold.

6.2 Disposals

- *Loss or Theft* - All property lost or stolen must be reported immediately to the Campus Police. Also, the Office of Risk Management must be notified for insurance purposes. A Property Transfer Request* form must be completed for tagged property so that inventory records can be updated.
- *Casualty Loss* - Property destroyed by fire or other catastrophic circumstances must be reported to The Controller's Office through submission of a Property Transfer Request form. Contact the Office Risk Management for insurance purposes. The loss must also be reported in the footnote section of the financial statements as impairment.
- *Cannibalization for Parts* - Equipment that is broken/non-functional and not cost beneficial to repair may be cannibalized for the purpose of repairing like assets. A Property Transfer Request form must be completed to report the cannibalization to The Controller's Office.
- *Return to Vendor* - Equipment returned to the vendor and either exchanged or refunded must be reported to The Controller's Office through submission of a Property Transfer Request form.
- *Lost and Found* – Lost items should be reported to the Office of Campus Police. The Office of Campus Police maintains a lost and found page on their website: <http://intraweb.stockton.edu/eyos/page.cfm?siteID=48&pageID=44&action=lffound>
- PLEASE NOTE: The University's Surplus Property Coordinator, Supervisor of Central Stores, regulates any disposal of property (other than those listed previously) including transfers to state agencies, other institutions of higher education or not for profit organizations.

6.3 Off Campus Repair

- Any equipment leaving campus for repair shall have an Equipment Repair Notification form completed and signed and sent to Central Stores.

7.00 Physical Inventory

7.1 General

In order to comply with federal, state, and University guidelines for maintaining accurate fixed asset records, all University departments are required to conduct a physical inventory of equipment under their control on an annual basis. A physical inventory involves the verification of all equipment within a department by actual observation and count. Departments are encouraged to maintain up-to-date equipment records in order to assist in their annual physical inventory process.

The departmental asset listing is used to conduct the physical inventory. This report provides a detailed list, by location, of equipment for which a department is responsible. Detailed instructions for updating the report accompany the physical inventory request from The Controller's Office.

Each department is responsible for tracking technology equipment (computers) which are not included in the physical inventory report provided by The Controller's Office because their value is less than \$5,000. An updated report must be supplied during the annual physical inventory process. See Appendix III.

7.2 Detailed instructions for completing the annual physical inventory

1. General

- Highlight the asset ID number, draw one line through the information to be changed (e.g., room number, building number, etc.), and write the correction in the comment field.
- Note missing tags in the comment field and a replacement decal will be issued.
- List additions and deletions on the appropriate page of the report and provide supporting documentation (copy of PO, DPO, invoice, or Property Transfer Request form).
- The individual responsible for the department must sign the departmental asset report and include the name of the department's Fixed Asset Coordinator.
- The corrected (marked up) report, "Equipment Certification Report," and related supporting documentation (copies of POs, invoices, and Property Transfer Request forms) should be returned to The Controller's Office by the specified due date.

2. Description of report fields

- Responsible Description - name of department
- Location
- ID Number – RSC tag affixed to the equipment. If the tag is missing, notify The Controller's Office
- Description - equipment description, including manufacturer
- Model Number
- Serial Number
- Placed in Service - date RSC receives title to the equipment
- Acquisition Cost - original purchase price
- Organization – org. code for each department

8.00 Surplus Property

All University property that is determined to be excess, unwanted, or can no longer be utilized by a department is eligible for direct transfer to other campus departments or must be transferred to Surplus Property. The Surplus Property Coordinator redistributes and disposes of surplus property in compliance with state and University policies and procedures.

8.1 Transferring Items to Surplus Property

The following subsections provide procedures for transferring items to Surplus Property.

8.2 Items Other than Computer Equipment and Vehicles

- Notify the Surplus Property Coordinator to provide information regarding the types of items and volume for transfer.
- Complete a Property Transfer Request form listing all items for transfer to surplus.
- Submit a work order to Plant Management for items that are too heavy or cumbersome for one person to handle. The Surplus Property Coordinator will assist in making that determination. Central Stores will pick up small items from your department within seven working days.

8.3 Computer equipment to PC Services (Includes CPU's, monitors, keyboards, printers, and scanners)

- Group surplus computing equipment in a central location (if possible) for PC Services to pick up.
- Fill out a Property Transfer Request form and forward to Central Stores. Note: Please record RSC tag #'s & ESN #'s on the form. A contracted vendor will wipe hard drive of old contents during disposal.
- Keep a copy of the form with the equipment for pick up.
- Follow distribution instructions at the bottom of the Property Transfer Request form to ensure that RSC tags #'s (only equipment purchased prior to 2007 will have asset tags) are removed from your inventory.
- Budget Unit Manager's signature is required on original and must be forwarded to Central Stores by Releasing department.
- Donated computer equipment requires that all hard drives be reconfigured prior to donation by the Office of Computer Services.

8.4 University Vehicles Transferred to Surplus Property

- Plant Management issues a Property Transfer Request form to Controller's Office including the following information for each vehicle:
 - Vehicle description (make, model, & capacity)
 - Vehicle number is the license plate number on the vehicle
 - VIN/Serial Number & Actual Mileage
 - Detailed explanation of vehicle's condition required
- The following should be completed by the Plant Management staff prior to any vehicle's transfer to Surplus Property:
 - Remove toolboxes, accessories, etc. to be retained
 - Spray paint over "Stockton University" Logo
 - Place appropriate tags on vehicle if needed (e.g., lockout, danger, etc.)

8.5 Transfers to University Departments at no cost

Complete a Property Transfer Request form for transfer between departments as well as for those items identified for disposal.

Departments should follow the procedures listed below to obtain Surplus Property items:

- Review the Current Inventory Listing of available items for transfer on the Surplus Property list or contact the Surplus Property Coordinator directly to inquire about availability of items.
- Schedule an appointment to visit the warehouse.
- Select items suitable for your department.

8.6 Other Disposition Methods

- Offered to political subdivisions at fair market value.
- Sold to the general public through public auction surplus sale or other state approved competitive methods in accordance with N.J.S.A. 18:64-78.
- Scrapped or recycled if under the current purchasing bid waiver threshold.

9.00 Form Preparation and Submission

9.1 PROPERTY TRANSFER REQUEST FORM

9.2 Required

The University requires completion of this form when a department transfers equipment to another department, transfers equipment to Surplus Property, moves equipment to a different building, or disposes of property as referenced in 6.00 Equipment Transfers & Disposals. The Property Transfer Request form represents the main communication tool between departments, regarding the transfer or disposal of property.

9.3 Where to Obtain a Blank Form

An electronic blank form and instructions are available on Stockton's website.

Send original completed form to the Central Store and retain one copy for departmental files as the releasing department.

9.4 Form Completion Instructions

From: Date, the name of the department releasing the equipment for transfer, name of the contact person, and telephone extension.

RSC Tag Number: Number from the tag affixed to the equipment that identifies asset as property of RSC. If no tag is found, please fill in as "none".

Description: Include name of item, manufacturer, serial number, model number, and ESN (if computer equipment). Also indicate if equipment is currently in working condition.

Present Location & New Location: Room or office number and org. number.

Reason for move: If broken, please comment if applicable. If stolen, please provide the incident report #. Please explain if other.

Requested move date: Date when item to be relocated or disposed will be ready for transport.

Budget Unit Manager's Signature: The approving authority's signature.

Approval History:

	Date
Board of Trustees	2/16/11