

FIXED ASSETS POLICY #140

Policy Administrator:	Executive Director or designee
Authority:	Section 89900 of the Education Code and Section 42400 of Title 5 of the California Code of Regulations
Effective Date:	07/01/11
Updated:	02/21/19 (approved 03/21/19)
Cross References:	

Policy Statement: This establishes guidelines for the purchase of capital assets and the identification, maintenance, control and protection of those assets. This also develops a system for tracking inventoried assets acquired through the CSU Fullerton Auxiliary Services Corporation (ASC).

Procedures: Fixed assets are property, such as equipment, buildings and real property that have an expected useful life of more than one year. Capital assets are those with an original total cost of \$5000 or greater (total cost including all expenditures reasonable and necessary in acquiring or receiving the asset) with a useful life of more than one year. All assets are depreciated using the straight-line method of depreciation.

Accountability & Updates. Each operation director/manager is responsible for the appropriate use, safeguarding and tracking of fixed assets and equipment.

Project Directors/Principle Investigators must notify the Financial Services and Sponsored Program offices whenever an asset is permanently transferred to another project, or when an asset is disposed, sold, damaged or stolen.

Tracking & Tagging. All capital assets, whether depreciated or expensed, shall be tagged with an ASC barcode assigned by the ASC Financial Services or Sponsored Programs office. For Sponsored Programs, assets acquired through external funding are recorded as expenses and neither capitalization nor depreciation is required. Any capital assets purchased for the use of University campus departments are not considered ASC fixed assets, as they are properly transferred to California State University, Fullerton.

- Tracking Expensed Fixed Assets. Fixed assets that are expensed with an original cost of less than \$5,000, but greater than \$500, will be inventoried and tracked by either the ASC Financial Services or Sponsored Programs office.
- Tagging Expensed Fixed Assets. Fixed assets acquired for use by ASC should be tagged and monitored by the Financial Services or Sponsored Program office. Categories requiring tagging include: technology equipment (such as computers, laptops, printers, cash registers, fax machines, TVs, cameras, refrigerators, iPads, iPods, etc.) and all other theft-sensitive equipment.

- Untagged Assets. Categories of assets, which may be departmentally monitored but are not usually tracked by the Financial Services or Sponsored Programs office include; land improvements, building support systems, furniture and fixtures, tools, items that are fixed or non-movable, such as workstations, stocking shelves, overheads and file stands.

Campus Programs purchases that are considered fixed assets and are used by University departments will be transferred to the University on a quarterly basis.

Grants & Contracts. ASC is listed as the “custodian” of grant/contract funded fixed asset purchases until project termination. The equipment belongs to neither ASC, nor the University, until the grant or contract is complete and a final report has been accepted. As a result, the Sponsored Programs office must record and inventory all equipment purchased on behalf of the sponsor/grantor. As a recipient of federal support under Sponsored Programs, ASC must comply with Federal OMB Circular A-110, which sets forth the requirements for managing and safeguarding fixed assets, with OMB Circular A-133, regarding program audit requirements, and with Federal Acquisition Regulation (FAR), Part 45 – Government Property, which prescribes the minimum requirements that contractors must meet in establishing and maintaining control over government property. ASC’s Sponsored Programs office will conduct equipment inventories (verifying property records and equipment location) every two (2) years. At the end of each project, the equipment is either transferred to the University or returned to the sponsor/grantor.

Periodic Inspection & Updates. A physical inventory will be conducted annually to verify fixed asset records for general fund and commercial operations, and will be conducted once every two (2) years for grants and contracts programs.

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