

Connecticut General Assembly Property Control Procedure Manual

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Connecticut General Assembly Property Control Procedures Manual

Section I

Introduction

In accordance with State of Connecticut Property Control Manual the Connecticut General Assembly maintains a centralized database to ensure that property and equipment are acquired, managed and disposed of in the best interest of the State and its citizens. The database identifies key information enabling the efficient management of property in the control of the General Assembly.

Purpose

The CGA Property Control Procedures Manual has been designed in conjunction with the State Property Control Manual. The CGA manual provides greater detail and specifics applicable to the General Assembly. The CGA manual provides guidelines to be used in identifying fixed assets, controllable property and the property values. Asset categories, custodian responsibilities, CGA internal reporting standards and accounting procedures are detailed in this manual.

Questions regarding state requirements and guidelines should be referred to the State Property Control Manual.

Responsibilities

The CGA asset manager and administrator are the primary contact between the CGA and other state agencies, and is the primary user of the Peoplesoft Asset Management Database. The asset manager/administrator is responsible for entering surplus into the State Surplus Distribution System and Public Surplus system and providing all correspondence with the state distribution agency, reporting any lost or stolen property to the correct state representatives and completion of any necessary forms for State and insurance reporting purposes.

CGA asset custodians are responsible for tracking and reporting asset locations, and reporting lost or stolen property to the asset manager.

Section II

System

The CGA maintains Peoplesoft Asset Management to store and report on property in its' possession. The database is secured with rights and password protected to ensure data integrity.

Off Site Storage

The database is maintained in a network environment and backup copies are stored in compliance with state standards.

Record Retention and Destruction

The CGA Property Control Database will maintain records of property in its possession. Records regarding property eliminated due to loss or disposition will be maintained for a period of five years or greater.

Section III

Inventory Accounts

Personal Property

The CGA maintain the following categories of personal property in the asset database

Category

	<u>Asset Category</u>	<u>Description</u>
<u>SHARE</u>	<u>ART</u>	<u>Fine Art</u>
<u>SHARE</u>	<u>BUILD</u>	<u>Buildings</u>
<u>SHARE</u>	<u>CAP</u>	<u>Capital Asset</u>
<u>SHARE</u>	<u>CNTRL</u>	<u>Controllable Asset</u>
<u>SHARE</u>	<u>EQUIP</u>	<u>Equipment</u>
<u>SHARE</u>	<u>LEQUI</u>	<u>Leased Equipment</u>
<u>SHARE</u>	<u>LSOFT</u>	<u>Licensed Software>1000</u>
<u>SHARE</u>	<u>OTHER</u>	<u>Other Prop Owned w Trustee Fnd</u>
<u>SHARE</u>	<u>SOFT</u>	<u>Software Capitalized State Own</u>
<u>SHARE</u>	<u>TRACK</u>	<u>Tracked Inventory</u>

Software

The CGA software inventory is maintained in the assets database. As a practice the CGA does not develop software and to date has not reportable software

Fine Arts Inventory

The CGA has it is possession a few items identified as fine arts. These items are maintained in the inventory records as Collections.

Supply Inventory

The inventory database does not record the contents of the supply room. The supply room is inventoried manually and reported on the CO-59.

Section IV

Maintaining the Property Control System Acquisitions

On a monthly basis data is loaded from the financial system listing assets and trackable items acquired during a specified period. The assets are segregated according to their category (based on the account code and description) and reports are reviewed with the respective custodian. The custodian verifies accuracy, identifies tag numbers and locations of the assets. The custodian updates the asset database with these fields.

Location Changes – Furniture / AV

Asset location changes are identified quarterly using a report generated from the service request system. The report is reviewed by the custodian and locations are updated accordingly.

Location Changes – Tech

The tech custodian is responsible for updating any location changes in the asset database.

Physical Inventory

A physical inventory is performed each fiscal year during the Oct – Nov time frame. Inventory is performed in combination of OLM and SMG staff. Using scanners the tag numbers are recorded along with the date of the scan and the location. The database is then uploaded with the information.

Reconciliation

Each fiscal year purchases recorded in the database are reconciled to the Analysis by Account report.

Section V

Tagging assets

All fixed assets and assets determined to be tracked, upon receipt, will be labeled with an identification tag. This tag number will be placed on the asset using the following guidelines:

- Chairs – Tags should be place behind the rear leg of the chair

- Wood desks, wood shelves – Tags should be place inside the top left side of cabinet's desks and shelves with draws. Alternative locations are on the left side of the item preferably on the inside frame but if necessary it is permissible to place the tag on the outside left

- Modular furniture- individual units of modular furniture, although inventoried as assets do not get tagged or tracked individually.

- AV equipment, Shop equipment, Mailing equipment, Kitchen equipment will be tagged in a location accessible to scanning technology but not to deface the item.

- Software –

- Technology equipment such as PC's, monitors, Servers – When practical these items should be tagged in a location easily located. It is permissible to use the serial number instead if tagging an item if tagging is not practical.

- Other items should be tagged using common sense.

On a quarterly basis the asset custodians should review their acquisition reports. Should there be any item on the report that has not yet been tagged it is the custodians responsibility to tag the item.

Section VI

Policies

Capitalization

As per state policy the CGA maintains records for fixed assets that have a useful life of more than one year and have an acquisition value of one thousand dollars or more.

The following guidelines are used to identify purchases meeting the criteria as fixed asset as dictated in the CO-59. Each asset will have a corresponding category and sub-type assigned.

Determination of fixed assets vs. commodity

Effective 7/1/2015 items purchased with a value of \$5,000 and a useful life of one or more years are considered personal property of the CGA and are maintained in the asset database. Prior to 7/1/2015 purchases of items that have a value of \$1,000 or more are also maintained as assets in the database.

Labor, for the regular maintenance or general repairs to the building and provided by the building maintenance contractor, is included in the monthly contract payment and not added to the cost of the repair.

Controllable Inventory

Effective 7/1/2015 the CGA does not maintain controllable property except for weapons. Prior to 7/1/21-5 specific items with a value of between \$700.00 and \$1,000 and an expected useful life of more than one year are identified in the assets database as controllable items. The Connecticut General Assembly has identified the following items as controllable:

Refer to exhibit A C:/temp/ asset management / Controllable property.doc

Controllable property will be booked to SID 002. Accounts to post controllable property are:

5406022 – Office Supplies Controllable.

5411022 - Law Enforcement Supplies Controllable

5389022/ 5392022 - ITS Supplies Controllable

5415022 Radio/Antenna Supplies Controllable

5417022 Photo/AV Supplies Controllable

Acquisitions with component parts

Purchases of a fixed asset with component parts will be recorded as a single item with a cost inclusive of the component parts. Maintenance and licenses fees should not be considered in determining the cost. Purchases with multiple assets and multiple component parts will allocate the components equally among the assets. The cost of each asset will include its allocation of component parts.

Component parts purchases separately from the asset and component parts purchased as spare parts will not be included in the cost of the asset. The determination of these assets is to be made independent of the asset for which they are a component.

Acquisitions with shipping

Shipping is allocated to the cost of the asset, if there are multiple assets the shipping will be prorated on a percentage basis. The asset value will be recorded at cost-plus shipping.

Shipping for fixed assets will be charged to SID 005, shipping for controllable property will be charged to SID 002. In cases when shipping charges on a purchase order apply to multiple fixed assets and/or multiple controllable property (more than 5) items it is not practical to prorate the charges. In this case the shipping charges will be posted to the object account that the most costly asset is applied. The asset with the greatest value will be valued to include the entire shipping cost.

Acquisitions using caucus funds

At times the caucuses choose to purchase items deemed fixed assets using funds budgeted for their respective areas. These assets are to be categorized and tracked in the same fashion as general fund purchases. Special efforts must be made to ensure that these items are not removed from the caucus area without special authorization.

Lease purchases

The full value of the leased item, including interest, and finance charges will be identified and included in the total asset value at the time the lease is authorized. Subsequent monthly lease payments will be charged to capital equipment, SID 005. These payments will be identified as reconciling items in preparation of the annual CO-59. Leased items will not be included in inventory.

Purchase Discounts

A discount given for a particular purchase is applied to each item on the purchase order. This is not the same as vendor discounts where any purchase from a vendor is entitled to a discount but rather it is a discount specific to that purchase only. An example may be a 10 % discount for purchasing quantities over a given limit. A purchase specific discount should reduce the price of each item on the purchase. The item will be recorded in inventory at the discounted price.

Building Improvements

An item that significantly extend the useful life of the building or enhances the value of the building will be recorded as a building improvement as long as the item is permanently affixed to the building and cannot be removed without damage to the

building. These items can be characterized as those that cannot be physically tagged or identified by site inspection. Expenditures not meeting these criteria will be expensed.

Building improvements will be entered in the JESTIR system as well as the Asset system.

Library Contents

The CGA maintains a library complete with an automated card catalog. The library content is valued each year using an average cost for each generalized type of reference material. Periodicals of that cannot be generalized are valued individually. The CGA librarian will provide the asset manager with a Change In Content Value Report each year.

The asset manager will review the yearly accounting records for purchases of library materials and randomly review the card catalog and the item purchased. The accounting value will not agree with the average cost value provided.

Software Inventory

The ITS department maintains a storage area for software with records to include licensing rights and users.

Appraisal of Collectables

The Commission on the ARTS, when requested, will appraise the value of the collectables of the CGA. The value of the collections will be adjusted in the asset system.

Surplus VII

Disposition of Surplus Property

Purpose

To avoid warehousing of broken, obsolete and surplus items the CGA will post to the Public Surplus auction site or the PDS system assets that are no longer necessary to the business of the CGA. Assets or controllable items that have been identified as “disposed” in the State Property Distribution Center will be labeled as such in the asset database. Disposed items are labeled as auctioned, scrapped, transferred, donated, or traded in. The date the transaction is authorized by the distribution center is entered as well as the actual date the asset is relocated. The cost of the asset will continue to maintain the true original cost of the asset.

Definition

An item is determined to be obsolete or no longer required in meeting the business needs of the CGA by the asset custodian.

Responsibility

The asset custodians are responsible for informing the asset manager/administrator of items requiring disposition. Once the asset manager is made aware of the item, specific details regarding the item will be required in order to post it to the PDS site. It is the custodians' responsibility to provide the details needed in order to properly post the item. All items requiring disposition are posted on the PDS system. In the event an item is not claimed on the PDS site and is not identified as scrap the asset manager will contact the appropriate disposition vendor and arrange disposal.

Agency Procedures

The asset manager/administrator will, on a monthly basis, post surplus, obsolete, broken, and damaged property to the State Property Distribution web site. When posted the item will be moved to a location designated as "pending disposal". It is the responsibility of the custodian to identify the asset and any relevant data needed to post the asset on the State Web Site. The custodian is then responsible to have the asset moved to the "pending disposal" room. As per state requirements, the asset will remain posted for a period of 14 days allowing any interested parties to respond. The status of the asset will be reviewed at the end of the 14day period. Should any state agency have interest in the item efforts to make contact will follow. In the event that there is no interest in the item the State Distribution Center will be notified to remove the item. The Connecticut General Assembly will maintain the asset for 30 days after notification to the Distribution Center. For assets not claimed by the Disposal Center the Connecticut General Assembly will use reasonable disposal practices and have the item purged from the pending disposal room within 14 days.

Reporting

Annual reporting CO-59

The annual CO-59 report will be prepared by October 1 of each year. Detailed information for the CO-59 report will be generated from the Peoplesoft Assets Database.

Additions:

Real Property- Detailed information for additions to real property will be generated from the Assets Database category of L&B. Additions and deletions to real property should also be reflected in the current value column of the CO-59 report.

Personal Property – Detailed information for additions to personal property will be obtained from the Assets Database for all categories other than L&B and subtypes not equal to control. The additions to the CO-59 Personal Property report will balance to the

total purchases for the year posted to SID 005. A reconciliation report will be prepared noting any adjustment such as lease payments, credits, and prior year adjustments.

Deletions:

Deletions entered on the CO-59 will be generated from the Assets database. Deletions will be identified with a deletion date within the reporting year. These deletions will balance to items posted on the Surplus Property or State Property Disposition web site.

Quarterly reports to Custodians

On a quarterly basis, or on request, each custodian will receive a report listing all property under his or her care.