

CENTRAL STATE HOSPITAL  
POLICY

**SUBJECT:** STATE PROPERTY MANAGEMENT

**ANNUAL REVIEW MONTH:** May

**RESPONSIBLE FOR REVIEW:** Materials Management Director

**LAST REVISION DATE:** May 2008

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**PURPOSE:**

To establish accountability and provide for maintenance and disposition of Real and Personal Property.

**APPLICABILITY:**

This policy is applicable to the entire CSH facility.

**DEFINITIONS:**

The following are terms commonly used in conducting property matters:

- (1) **Real Property:** Real property means land, including land improvements, fixed structures, and appurtenances thereto, excluding moveable machinery, equipment, structures, and items that cannot function independently from a large piece of equipment, such as items of property considered a part of the original building (i.e., food mixers, dishwashers, ice machines, steam kettles, built-in stoves, built-in air-conditioning units, installed coffee urns, etc.).
- (2) **Personal Property:** Personal property is any item which is basically non-consumable and non-expendable with a useful life of three (3) years or more. Personal property is divided into two major categories:
  - (a) Property with a \$1,000 or greater acquisition cost is tagged and accounted for under the PeopleSoft Asset Management Program. This includes all computers regardless of cost.
  - (b) Property with less than \$1,000 acquisition cost is accounted for under the Agency Auxiliary Property Management System. This category is further divided as follows:
    - Items with acquisition cost between \$500 and \$1,000 require tags for insurance purposes (single occurrence insurance deductible is \$500).

- Items with acquisition cost under \$500 do not need tags but are itemized on the Agency Auxiliary Property System for purposes of property control.
- Special control items costing less than \$500 may be tagged at the discretion of the Property Coordinator.

(3) Equipment Condition Definitions:

GOOD:           Functioning, operational with no repairs needed, acceptable for interdepartmental transfer.

FAIR:            Repairs would not exceed 25% of original acquisition cost.

POOR:           Repairs would exceed 25% of original acquisition cost. Not acceptable for interdepartmental transfer.

SCRAP:          Item has no value except for basic material content.

(4) Property Custodian: Person appointed by each Service Director/Supervisor/ Department Head who is authorized to initiate and approve all property transactions and conduct property inventories.

(5) Equipment Status Change Form #5086 (ESCF): Single form initiated and signed by the property coordinator (Central Property Control) to facilitate and accomplish all dispositions of personal property relative to transfers, surplus, destruction, stolen, missing and description changes.

(6) Missing/Stolen/Damaged Property Form #3.03A: Initiated by equipment users to report stolen and missing equipment.

(7) In-House Equipment Transfer Form #3.03B: The primary user initiates this form for all In-House property transfers, except for computers. Note: Each facility may use a form unique to that facility.

(8) Detailed Equipment Listing (DEL) Form 5111: This form is used to request all new equipment. It is initiated by the requestor and submitted to the budget office for approval prior to the actual purchase. The approved DEL) Form 7.03A must accompany the in-house request for purchase.

(9) Computer Equipment Relocation Form 3.03C: The Primary user initiates this form for all computer equipment relocation.

- (10) Property Coordinator: Person designated by the Chief Executive Officer for permanent assignment to serve as liaison between all hospital departments and the Department of Human Resources (DHR) Property Management Unit. General duties are to oversee all activities dealing with the management and control of property within each department.

**POLICY STATEMENT:**

It shall be the policy of Central State Hospital (CSH) to maintain accurate and complete records of all property ordered and received by the hospital, including acquisitions through the State agency for surplus property and donated gifts from varied sources. Items valued at \$1,000 or more will be maintained on the PeopleSoft Asset Management Program. A joint physical inventory of all property is required annually. Items valued at less than \$1,000 will be maintained on an auxiliary inventory system. Inventories will be performed annually. Users of hospital state property are expected to use good judgement, reasoning and care to secure and protect all equipment/property to the greatest extent humanly possible and to report incidents of abuse, theft or damage as quickly as they occur.

**DISCUSSION:**

- (1) All department managers and supervisors are responsible for the strict accountability and the safeguard of all equipment or property assigned to their unit, department, or area of responsibility.
- (2) Employees shall be responsible for the accountability, proper service and use, safeguard, and disposition of all equipment under their assignment.
- (3) Financial restitution may be required from employees or disciplinary action may be taken when property entrusted to their care is damaged, stolen, or lost as a result of their negligence.

**PROCEDURE:**

**RESPONSIBILITY**

**ACTION**

**Property Coordinator**

1. New Equipment, PBF, Donated
  - Will ensure property valued over \$1,000 is added to the PeopleSoft Asset Management Program, and if applicable, will affix decal number to equipment.
2. Transfers
  - Will ensure an Equipment Status Change Form DHR 5086 is prepared on all property transferred from any department for **any reason**. It is the designated property custodian's responsibility to account for the property and ensure proper documentation for credit is obtained.
  - Will ensure all transfers are entered in PeopleSoft Asset Management Program
3. Surplus/Salvage, Damaged Equipment
  - Upon receipt of In-house Equipment Transfer form, will determine proper action to be taken on property/equipment.
  - Will receive property which has been declared irreparable or will direct the department property custodian how and where to dispose of property.
  - Will ensure that Equipment Status Change Form #5086 has been completed and posted to PeopleSoft Asset Management Program.
4. Stolen/Missing Equipment
  - Will obtain all necessary documentation pertaining to incident, i.e., Incident Report, State Hospital Police Report, Critical Incident Form and Lost, Damaged Report form 7.03B.
  - Will carry item(s) as stolen or missing until either recovered or dropped from inventory after prescribed period (two years).
5. Physical Inventory
  - Will be responsible for conducting annual physical inventory for over \$1,000 property items.
  - Will ensure necessary changes are made to PeopleSoft Asset Management Program regarding all inventory discrepancies.
  - Will submit all inventory results to DHR as required by DHR within the stated deadline.

6. Special Inventories - Entry/Exit
  - May conduct a joint property inventory with any employee at the time of promotion, transfer, or termination if employee has served as property custodian, at request of management.
  - Will make unannounced spot checks of all or part of organization's inventory on a regular basis, randomly selecting 10% of items and using inventory listing.
  - Will ensure necessary changes are made to PeopleSoft Asset Management Program.
7. Lease/Rental Equipment  
Will use DHR Policy Procedures.

**Department Heads,  
Property Officers/  
Custodians**

1. Agency Auxiliary Property Management will maintain current property inventory listing and have available for audits.
2. Maintain a separate file on auxiliary equipment (under \$1000).
3. Will receive and sign for equipment/ property when issued.
4. Will conduct joint physical inventories annually and may accompany auditors during an official audit.
5. Will transfer surplus property to another area of the hospital where it is needed and provide a copy of the in-house transfer from to Central Property Control for Peoplesoft Entry.
6. Will complete the CSH Form 7.03C (2001)/In-House Equipment Transfer Form as needed for transfers, except for computer equipment. Completed forms shall be forwarded to Central Property Control
7. Will complete the CSH 7.03D (Computer Equipment Relocation) when transferring computer equipment. Forward the original to Central Property Control; forward a copy to the Data Manger.
8. Will submit equipment repair work orders to Maintenance if repairs are needed.
9. Will complete physical transfer.
10. Will obtain signature of receiving organization and forward completed In-House Transfer form or 7.03D Computer Equipment Relocation form to the Property Coordinator for processing.
11. Will maintain copies of all forms and memos to and from the Property Coordinator related to inventory.

**RESPONSIBILITY**

**ACTION**

<b>Procurement Officer</b>	Will send original Del Form, with a copy of Purchase Order to Central Property Control and a copy to Receiving Department.
<b>Receiving Department</b>	Will notify Central Property Control upon arrival of equipment.
<b>Central Property Control</b>	Go to Receiving, get the necessary information to complete the DEL form and request decal number(s) from DHR on equipment except when equipment needs to be set/up and tested first. After receipt of decal number, affix decal number to all property/equipment over \$1,000.00 and send a copy of the packet to the DHR. The packet includes the Del Form and Purchase Order. All paperwork will be kept in suspense file until items are received.
<b>Unit/Department Custodian</b>	Will notify Central Property Control after equipment has been installed & tested.
<b>Central Property Control</b>	<ol style="list-style-type: none"><li>1. Will place decals on the equipment.</li><li>2. Will make sure equipment is added to the PeopleSoft Asset Management.</li></ol>

**REFERENCES:**

DOAS Property Manual  
DHR Property Management Manual  
DOAS Disposal Reference Guide

**APPROVED BY:**

**This policy has been approved by the CMO and CEO in May 2008.**

**Attachments:**

**See Materials Management Department for all referenced forms.**