

# **CUSA ASSET MANAGEMENT POLICY**

Spring 2009

This CUSA Asset Management Policy is used to maintain an accurate inventory database and to outline the procedures for re-inventory and insurance requirements. The CUSA Asset Management Policy is designed to run in conjunction with the CUSA Finance Policy.

## **A. Responsible Parties**

The guidelines of this policy apply to all CUSA recognized organizations that own a single asset, via donation or purchase, with an (estimated) purchase price of at least \$50.00 and a life-expectancy of one year or more.

The CUSA Comptroller assumes the responsibility of making sure all policies and procedures outlined in the CUSA Asset Management Policy are carried out to their fullest extent.

## **B. Asset Definition and Restrictions**

An asset shall be defined as a tangible item acquired through either purchase or donation with an estimated purchase price of \$50.00 and a life-expectancy of one year or more.

- 1) Some items that cost less than \$50, if purchased as a group, may be inventoried as a single asset. This will allow the club to depreciate the items in the future.
- 2) If an item does not have a life-expectancy, as determined by the CUSA Comptroller, of at least one year the item cannot be grouped together with other items as a single asset regardless of cost.

## **C. Insurance**

Club assets can be covered by the CUSA property insurance policy. The insurance company will pay a percentage of the value/replacement cost of lost or damaged assets. The reimbursement will be done according to the insurance policy found in the CUSA Senate Office. This is only applicable to those assets that have been properly processed under Section C Subsection 1 of this policy.

- 1) Procedure for Becoming an Insured Club
  - i. Clubs that have acquired an asset base equal to the CUSA's current deductible, as negotiated with the insurance provider, may be eligible for coverage under the CUSA's insurance. In order for a new club to be insured the club's asset base will be reviewed by the CUSA Comptroller, who will then make a recommendation to the CUSA Finance Committee.
  - ii. Upon the CUSA Finance Committee's approval a club will be added into the CUSA inventory system (SCANventory).
  - iii. Until a club has met the aforementioned requirements to receive insurance, their assets will be tracked by the CUSA Office Manager in a spreadsheet.
- 2) Clubs that do not Qualify
  - i. Clubs that are not eligible for coverage under the CUSA property insurance policy will be internally insured by the CUSA.
- 3) Purpose for Procedure
  - i. The aforementioned steps insure that the CUSA does not pay for insurance on assets that cannot be covered under the insurance policy. Since the CUSA has a deductible, the CUSA should not insure a club's assets until they have acquired an asset base

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equal to the current deductible. If a club with an asset base smaller than the current deductible were to lose all their assets, we would still not be able to make a claim.

- ii. The reasoning for requiring the approval of the CUSA Comptroller and CUSA Finance Committee is to make sure insurance is necessary.
  1. Insurance may not be necessary if items are generally not stored in one location (ie. Jerseys are usually disbursed to members, so the chances of making a claim against jerseys is far less).
  2. Depending upon the nature of each club's assets there is a certain amount of risk that the CUSA can manage without insurance.

## D. Asset Tags

All assets acquired by a club between inventories must be tagged and recorded into one of the two databases. Tags are distributed by the Office Manager in the CUSA Office.

- 1) All assets must be both ordered and delivered through the CUSA Senate Office. Upon delivery no item may leave the CUSA Senate Office without first being tagged and signed over to the appropriate club by the CUSA Comptroller and Office Manager. The Inventory Request form, form A-3, must be submitted to the Office Manager before the item leaves the CUSA Senate Office.
- 2) After the item is approved by the Office Manager as an asset, the CUSA Comptroller has two weeks to approve the item. If the CUSA Comptroller does not believe the item should be tagged as an asset, the item is taken off inventory. If the club does not agree with the CUSA Comptroller, the CUSA Treasurer may overrule the CUSA Comptroller's decision. If the CUSA Comptroller neglects to sign the Inventory Request, form B-1, the club receives no penalty.
- 3) Any club or organization found to have an asset older than two weeks that has not been registered at the CUSA Senate Office and tagged is guilty of a violation of the CUSA Asset Management Policy and is eligible for reprimand under Section I.
- 4) Any changes (i.e. location, owner, disposal, sales) in an asset's status should be recorded with the CUSA Senate office using an Equipment Change Form, form A-4, and approved by the Office Manager and CUSA Comptroller. If the CUSA is not informed of changes in the asset, the club is guilty of a violation of the CUSA Asset Management Policy and is eligible for reprimand under Section I.

## E. Depreciation

Any use of Depreciation, as detailed in the CUSA Finance Policy, shall be dependent on current inventory lists. Any items not on the lists are not considered assets and cannot be eligible for Depreciation until they are appropriately tagged and properly considered assets.

- 1) No club may sell or dispose of any of its inventory without verifying the sale or disposal with the CUSA Comptroller and CUSA Office Manager using form A-4. Money from the sale of club/CUSA assets will be deposited into the club's depreciation account.
  - i. A club cannot ask for deprecation unless the asset is classified as poor or needs replacing, refer to Section H, Subsection 1.
  - ii. Under special circumstances, the comptroller reserves the right to approve replacement of an item with the approval of the Finance Committee.

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- 2) When a club requests to purchase an asset through their depreciation account, the CUSA Comptroller shall verify that there is an asset to be depreciated against and ensure that the old asset is removed from their inventory list if being disposed of. The club has one year to use the deprecation money to replace a previously disposed asset that has been approved by the CUSA Comptroller.

## F. Management

Clubs must adhere to the management guidelines to ensure assets are handled with care.

- 1) Clubs must keep an accurate record of assets.
  - i. Clubs must know the location of assets at all times.
  - ii. If a club chooses to loan out an asset, it must be documented with the person's name, student number, date, condition of the item, and plan of use. The asset must be returned within two weeks.
  - iii. If the club chooses to rent out an asset Section F Subsection 1 shall apply in addition to a rental fee at the discretion of the club. The rental fee will be placed into the clubs budget. A monthly report of rental fees must be sent to the CUSA Office Manager.
- 2) Only E-board members of the club are allowed access to the location of assets by use of keys.
  - i. If a key is lost the individual responsible will face a fifty-dollar fine, where five dollars goes to the replacement of the key and forty-five dollars will be placed in the CUSA general fund.
  - ii. If more than one key is lost, Section F Subsection 2 is in affect and all locks must be replaced at the expense of the club.
- 3) If an asset is found to be lost or damaged in any way, it must be reported to the CUSA Comptroller or Office Manager within a week. Clubs who fail to comply are found guilty of a violation of the CUSA Asset Management Policy and are eligible for reprimand under Section I.

## G. Re-inventory

- 1) A re-inventory will be conducted by the CUSA Comptroller or the CUSA Audit Committee using the CUSA Yearly Condition Form, form A-2, in the spring semester every year. Clubs will be held accountable, as outlined in Section I Subsection 3 of this policy, for any unreported assets that are discovered lost or missing during the re-inventory.

## H. Condition Report

Within five weeks into the fall semester a club should turn in the Club Yearly Condition Report, form A-1, detailing each and every asset and the operating condition of it. This report will be used by the CUSA Comptroller to speed up the re-inventory and budgeting process.

- 1) The condition report should list each club asset with the appropriate tag number. The operating condition can be defined as new, excellent, good, poor, or needs replacing.
- 2) Any club that fails to turn in a condition report is guilty of a violation of the CUSA Asset Management Policy and is eligible for reprimand under Section I

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## I. Penalties

Clubs that do not adhere to the conditions prescribed in the CUSA Asset Management Policy are subject to the penalties described below.

- 1) Failure to register an item at the CUSA Senate Office within two weeks of its acquisition will result in a \$50.00 fine per asset. The CUSA Comptroller will issue a written notice to the accused club via the club president's campus mail, the club president's electronic mail, and the club's mail box outside the CUSA Senate Office. The notice will detail the reason for the fine, the amount of the fine, the particular items in question, and further penalties that will be taken in the future. If the item is still not registered with the CUSA Senate Office within one week of the first fine and written notice, the club will receive an additional \$50.00 fine. The fine will be reissued every week until the club adheres. The money from these fines will be deposited into the general CUSA account.
- 2) The same penalty as outlined in Subsection 1 shall apply to clubs that fail to report changes (i.e. location, owner, disposal, sales) in an assets' status with the CUSA Senate Office using an Equipment Change Form.
- 3) Upon completion of Re-inventory if assets are found to be lost or missing the club will be held accountable through a series of steps. Fines will be waived for missing items that are reported prior to Re-inventory.
  - Step 1:* The club's budget will be frozen except for purchases deemed necessary by the CUSA Comptroller or CUSA Treasurer.
  - Step 2:* The club will conduct a very thorough three week search for the missing or lost items. If the items are not returned and scanned, the club will have to make a decision on whether or not the items need to be replaced.
  - Step 3:* If the club desires to replace the items, the money will come from the remainder of the club's budget for the year. If the current budget is already exhausted, the club may take an advance on the following year's budget if approved by the CUSA Finance Committee. The advance will be repaid as soon as the following year's budget is made final in the Fall Semester.
  - Step 4:* For any items not located during *Step 2*, the club will be fined 75% of the total missing asset value. The money from this fine will be deposited into the Capital Expenditure Account. In addition the item will be removed from the club's depreciation list.
  - Step 5:* Following the CUSA Finance Committee's decision in *Step 3*, the CUSA Comptroller shall prepare a report on the fines to be levied in the following year. The Office Manager will keep a file of these reports with the budgeting records.
  - Step 6:* After the missing items are accounted for or the previous five steps have been carried out, the club may use their budget again.
- 4) Failure, by a club, to turn in a condition report by the date set by the CUSA CUSA Comptroller will result in the freezing of that club's budget.
- 5) Additional action and/or penalty, if necessary, shall be at the discretion of the CUSA Senate, CUSA Executive Board, or CUSA Senate Finance Committee.

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## **J. Amendments**

Any proposed changes to this policy must be presented to a quorum of the CUSA Senate and tabled for a period of at least one-week. Final approval must be by a vote of 2/3 or more of the CUSA Senate.

## **K. Miscellaneous**

- 1) The CUSA Comptroller can waive any fine at his/her discretion. Upon doing so the CUSA Comptroller must report the waive to the CUSA Finance Committee. If the CUSA Finance Committee questions the decision, it may be brought before the CUSA Senate for a decision