

COLORADO STATE UNIVERSITY
Financial Procedure Instructions
FPI 4-2

1. **Procedure Title:** Property Management – Capital Equipment Loan/Return/Renew
2. **Procedure Purpose and Effect:** Procedures for any department or organization within the University to loan return and/or renew capital equipment which may be located off campus or in a building that is not in the Quali system. Any loans of capital equipment must be recorded in the Capital Asset Management (CAM) database.
3. **Application of Procedure:** This procedure applies to those departments/areas which maintain and are responsible for capital equipment.
4. **Exemptions:** Any exemptions to this policy require approval by the Property Management Office.
5. **Definitions:**
 - A. **Capital Equipment:** Equipment includes items which are not considered an integral part of a University building, are non-expendable, do not lose their identity through incorporation into a more complex unit, have a useful life of more than a year, and have an acquisition cost of \$5,000 or more, or another threshold if set by a contract, grant, or agreement. An item is non-expendable if it is characteristically restored to service by replacement of lost, worn or damaged parts. The acquisition cost of a University purchased item of non-expendable personal property should be recorded as the net invoice unit price of the property including cost of modification, attachments, accessories, or auxiliary apparatus necessary to make the property usable for the purpose of which it was acquired. Other charges, such as cost of installation, transportation (shipping and handling), taxes, in transit insurance, etc., shall be included in the unit acquisition cost. Training and annual maintenance costs are not part of the capital equipment and are expensed in the period incurred.
 - B. **CAM:** Capital Asset Management. This is the system of record for fixed assets within the Quali Financial System.
 - C. **CAM Processor Role:** Any Quali user can view capital assets. The people who apply for and are granted the CAM Processor Role can edit, loan, transfer, and/or retire capital assets.
 - D. **Non-expendable:** Items such as equipment, instruments, and tools that are not consumed in a manufacturing process, and which retain their original identity and characteristics during their useful life.
6. **Procedure Statement:**
 - A. Initiation of the Equipment Loan/Return Document is required for two different purposes:
 1. When capital equipment is borrowed from CSU for more than thirty-one (31) days, and the equipment resides at a location which is not directly associated with the university.

2. When capital equipment resides in a building that is not in the Quali system therefore requiring that the physical location for the asset be recorded on a loan document.

The loan document must be completed before the equipment is removed from the campus and the person initiating the document will need to have the CAM Processor Role. In accordance with CSU procedure, equipment may be loaned for a period of two years or less, and the loan document must be completed within thirty (30) days of the loan. If the equipment is not returned at the end of two years a new Equipment Loan/Return Document must be processed to renew the loan.

The Equipment Loan/Return Document allows organizations to issue loan documents for non-capital assets. However this requires that the organization has created the non-capital asset within the CAM database.

For step-by-step document instructions please follow the link under the Forms and Tools section of this procedure and find the Creating a Loan Document link.

B. The organization making the equipment loan will be responsible for:

1. Initiating the Equipment Loan/Return/Renew Documents.
2. Keeping accurate inventory records of equipment on loan for a period less than thirty-one (31) days.

C. The borrower will be responsible for:

1. The timely return of equipment or the completion of an Equipment Loan/Return Document to extend the loan for an additional two years.
2. Upon request the borrower may be required to return the equipment to the organization for inventory or audit purposes.

D. Insurance Coverage:

University equipment is covered by Risk Management with a \$1,000 deductible. This includes equipment off campus. If equipment will be in any country other than the United States, Canada or Puerto Rico, please contact Risk Management. Any concerns regarding insurance should be directed to Risk Management.

7. Reference and Cross-References:

Property Management website: <http://busfin.colostate.edu/Depts/PropMgt.aspx>

KFS User Manual: http://busfin.colostate.edu/Resources/Guides_Manuals.aspx

Property Insurance: <http://www.ehs.colostate.edu/WInsurance/home.aspx>

8. Forms and Tools:

To apply for the CAM Processor Role please fill out the Application for Kual Financial System located at <http://busfin.colostate.edu/Resources/Forms.aspx>.

Creating a loan document instructions are located at <http://busfin.colostate.edu/Depts/PropMgt.aspx> (Under the Training Heading and CAM Processor Training subheading)