3.11.1 The institution exercises appropriate control over all its physical resources. (Control of physical resources)

☐ Compliance  ___ Partial Compliance  ___ Non-Compliance

Narrative:

Chattahoochee Valley Community College (CVCC) exercises appropriate controls over all of its physical resources. This responsibility extends to the care for its physical assets by obtaining, sustaining, and maintaining them for achieving its mission. The Fiscal Procedures Manual for The Alabama College System states that the College is required to maintain an inventory of capital assets costing $5,000 or more. Capital assets include land, buildings, building alterations, infrastructure assets/improvement to buildings, furniture, equipment and campus vehicles and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. A separate and complete inventory is maintained for each capital asset classification.

For capital furniture, equipment and campus vehicles, a second CVCC inventory report is also maintained to detail the asset’s inventory number, description, serial number, location by building and department, date of acquisition, vendor, purchase order number, invoice amount, check number, bank account, and funding source and is recorded in the college’s capital equipment asset system, which then integrates and reconciles with the general ledger accounting system. Inventory numbers are assigned to all capital furniture, equipment and vehicles after the invoices are paid and then affixed to the assets by permanent means.

The College is required by State Board Policy 324.01 to conduct an annual physical inventory of capitalized items and reconcile to the financial statement each fiscal year. The College conducts physical inventories in April of each fiscal year. Campus inventory procedures and forms are described in the Finance and Budgeting Processes Handbook. It is the responsibility of the campus employee to whom an asset is assigned to immediately notify the Chief Financial Officer of any lost or stolen assets so that a thorough investigation may be completed. If an asset is missing, the “Report of Missing Equipment” is completed and submitted to the CFO. In addition, if an asset is to be transferred between CVCC departments, the “Interdepartmental Equipment Transfer” form is completed and submitted to the CFO for the campus capital asset report to be updated.

Before inventory items are transferred from CVCC to another Alabama public education or state entity, a “Property Transfer Form” is completed and filed in the Business Office. Property may be transferred from one college to another, to a K-12 school system, or to the Alabama Department of State Surplus with the approval of the Chancellor of the Alabama Community College System.

Employees may recommend to the Chief Financial Officer items to be sold at a public auction or through sealed bids. Any items sold must be reported on Surplus Property Sale Form DPE-22, which is completed by the Chief Financial Officer, signed by the President, and approved by the Chancellor. When a capital asset is no longer serviceable and needs to be removed from inventory, a Report of Disposal of Equipment is prepared by the Workroom Employee and approved by the Chief Financial Officer.
For fiscal year 2011-12 campus asset inventory control is documented below:

<table>
<thead>
<tr>
<th>Control Measure Description</th>
<th>Frequency To Be Used</th>
<th>CVCC Responsible Position</th>
<th>Evidence of Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011-12 Inventory – Active Items and Reports of Disposal of Equipment</td>
<td>Yearly – Each Spring</td>
<td>Workroom Employee and Accounting Clerk</td>
<td>Completed Report 5/12/2012</td>
</tr>
</tbody>
</table>

The College’s physical plant resources are controlled, operated, monitored, and maintained by the Director of Facilities and Maintenance, who reports directly to the Chief Financial Officer. The Director of Facilities and Maintenance and CFO work collectively with College Administration to assist with campus strategic planning, capital forecasting and other issues. The mission of Plant Management is to provide operating and maintenance services for campus facilities, to continually support the learning process at CVCC by sustaining a clean, positive and safe environment, in the most cost effective manner. To achieve the mission, Plant Management is committed to the following: overseeing capital projects, providing both preventative and deferred maintenance, and insuring the safety of students, faculty and staff. All college personnel who need operation and maintenance services prepare a “Campus Work Order Request” form and submit to the Director of Facilities and Maintenance.

Campus college-owned vehicle management and maintenance procedures are detailed in Campus Transportation Procedures. College vehicles are used for official college business only and control of use is the responsibility of the Security Chief. All vehicles are regularly maintained and documented in Vehicle Maintenance Log by the Campus Security Chief.

The College is required to submit annually to the Department of Postsecondary Education a Building Inventory Report, which is forwarded to the Alabama Commission on Higher Education. This report is in accordance with State Board Policy 505.01. The College also prepares a Facilities Master Plan and Explanation of Items annually, which includes future plans for new construction and campus deferred maintenance projects.

The various required campus insurance coverage is detailed and described in the Finance and Budgeting Processes Handbook. CVCC is required by State Board Policy 310.02 to insure property, general, legal and vehicle liability. In addition, the campus carries athletic injury coverage. A summary of 2012-13 paid policies is documented below:
<table>
<thead>
<tr>
<th>Type of Insurance</th>
<th>Insurance Vendor</th>
<th>CVCC Responsible Position</th>
<th>Evidence of Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) Property Insurance</td>
<td>State of Alabama, State Finance Department</td>
<td>CFO</td>
<td>2012-13 Policy</td>
</tr>
<tr>
<td>B) General Liability</td>
<td>Insurance Office of America</td>
<td>CFO</td>
<td>2011-12 Policy</td>
</tr>
<tr>
<td>C) Legal Liability</td>
<td>McGriff, Seibels &amp; Williams</td>
<td>CFO</td>
<td>2011-12 Policy</td>
</tr>
<tr>
<td>D) Vehicle Liability</td>
<td>University Agency</td>
<td>CFO</td>
<td>2012-13 Policy</td>
</tr>
<tr>
<td>E) Athletic Injury Liability</td>
<td>Cobbs, Allen &amp; Hall</td>
<td>CFO</td>
<td>2012-12 Policy</td>
</tr>
</tbody>
</table>

**SUPPORT DOCUMENTATION**

- Alabama Commission on Higher Education Building Inventory Report - 2012
- State Board Policy 324.01: Capital Assets
- Finance and Budgeting Processes Handbook, Section 8.0 Campus Equipment Control and Inventory – Pages 26-27
- Report of Missing Equipment
- Interdepartmental Equipment Transfer
- ACCS Property Transfer Form
- Surplus Property Sale Form
- Report of Disposal of Equipment
- FY 2011-12 Investment In Plant - Capital Assets
- 2011-12 Inventory – Active Items and Reports of Disposal of Equipment
- 2011-12 Inventory – In-Active Items and Reports of Disposal of Equipment
- Job Description – Director of Facilities and Maintenance
- Mission of Plant Management
- Campus Work Order Request Form
- Maintenance Master Log – Campus Work Orders
- Campus Transportation Procedures
- Job Description – Security Chief
- Vehicle Maintenance Log
- State Board Policy 505.01: Facilities Inventory
- Facilities Master Plan – 2012
- Explanation of Items - Facilities Master Plan 2012
- Finance and Budgeting Processes Handbook, Section 16.0 - Insurance Campus Coverage 49-51
State Board Policy 310.02: Insurance: Property and Liability

2012-13 Insurance Coverage, Paid Policies: Property Insurance

2012-13 Insurance Coverage, Paid Policies: General Liability

2012-13 Insurance Coverage, Paid Policies: Legal Liability

2012-13 Insurance Coverage, Paid Policies: Vehicle Insurance