

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 the 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:

Control Measure Description	Frequency To Be Used	CVCC Responsible Position	Evidence of Implementation
FY 2011-12 Investment In Plant - Capital Assets	Yearly (Annual Financial Statement Reporting)	Chief Financial Officer	Completed Report 9/30/2012
2011-12 Inventory – Active Items and Reports of Disposal of Equipment	Yearly – Each Spring	Workroom Employee and Accounting Clerk	Completed Report 5/12/2012
2011-12 Inventory – Inactive Items And Report of Disposal of Equipment	Yearly – Each Spring	Workroom Employee and Accounting Clerk	Completed Report 5/12/2012

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:

Type of Insurance	Insurance Vendor	CVCC Responsible Position	Evidence of Implementation
A) Property Insurance	State of Alabama, State Finance Department	CFO	2012-13 Policy
B) General Liability	Insurance Office of America	CFO	2011-12 Policy
C) Legal Liability	McGriff, Seibels & Williams	CFO	2011-12 Policy
D) Vehicle Liability	University Agency	CFO	2012-13 Policy
E) Athletic Injury Liability	Cobbs, Allen & Hall	CFO	2012-12 Policy

SUPPORT DOCUMENTATION

Alabama Community College System, Fiscal Procedures Manual, "Capital Assets"
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

<u>State Board Policy 310.02: Insurance: Property and Liability</u>
<u>2012-13 Insurance Coverage, Paid Policies: Property Insurance</u>
<u>2012-13 Insurance Coverage, Paid Policies: General Liability</u>
<u>2012-13 Insurance Coverage, Paid Policies: Legal Liability</u>
<u>2012-13 Insurance Coverage, Paid Policies: Vehicle Insurance</u>
<u>2012-13 Insurance Coverage, Paid Policies: Athletic Injury Insurance</u>