16 Property Management and Control			
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1. General

New Mexico Highlands University may acquire, maintain, protect, use, and dispose of property required to perform its mission. University property and resources may be used only for University business. For the purposes of this policy, property is defined as moveable items such as equipment costing $1000 or more with a useful life of more than one year. University property must be managed according to University policies and applicable State and Federal law, including the following:

- State of New Mexico Law, Statutory Section 12-6-10 NMSA 1978 as amended;

University property includes all:

- equipment purchased by University departments, regardless of the source of funds used to purchase the equipment;
- U.S. Government-owned equipment used by University departments;
- components and material used to make equipment, whether furnished to, acquired by, or fabricated by the University;
- property donated to the University; and
- property loaned or leased to the University by outside organizations

University property is in the custody of the department, which purchased, or is using the property. The department is responsible for the management and control of the property assigned to it. The dean, director, department head, or the principal investigator for government-sponsored projects, is responsible for:

- the proper use, maintenance, and security of assigned property;
- maintaining inventory records on all property in custody of the department;
- reporting any shortage, damage, loss, or theft of property; and
- disposing of University property according to University policies.

2. Acquiring Property

2.1. Purchases

All purchases of equipment are made according to University procedures, the Commission on Higher Education (CHE) rules, and the State of New Mexico Procurement Code.

2.1.1. Purchases Using Federal Funds

All purchases involving Federal funds must comply with the guidelines of the individual contract or grant, and be approved by the University Contract and Grant Accounting Office or the Controller's Office. The purchase of equipment

must be necessary, in accordance with the terms of the contract or grant, and comply with U.S. Government regulations. The principal investigator must complete all required government forms.

2.2. Gifts

All gifts of equipment to the University for fair market value of $1000.00 or more at the time of donation must be reported to NMHU Central Receiving Department. This property is then added to the University Property Inventory.

3. Use, Maintenance, and Security of Property

University departments who have custody of University property are responsible for its proper use, maintenance, and security.

3.1. Use of Property

Normally all property should be used for the purpose originally intended. However, a piece of equipment acquired for use on a federally sponsored project may sometimes be used elsewhere within the University after the project ends. The terms of the contract or grant must be complied with.

3.2. Maintenance of Property

Departments must take care of and properly maintain property to ensure the longest useful life possible. All items should be maintained according to manufacturers' recommendations or accepted standards. Departments must follow suggested schedules of lubrication, cleaning, calibration, and inspection. If preventive maintenance is not required, the property should be maintained in a clean and orderly manner.

3.3. Location and Security of Property

The location of each item of property valued at $1000.00 or more is included in the University inventory records. Current location records must be maintained so that any item can be located for inspection or inventory purposes within a reasonable time. When property is temporarily idle or placed in storage, the department must provide adequate protection from damage or loss. Property must be protected when moved.

Departments should make adequate provisions for the physical security of the property in their custody. Areas containing equipment should be locked after business hours or at other times when not in use. Special precautions should be taken for high-value, portable items.

3.3.1. Theft of Property

Departments must immediately report the theft of any inventoried equipment to the University Campus Police Department, Central Receiving Department, and the Purchasing Department. Unexplained disappearances and losses must be reported to Central Receiving as unlocated.

4. Inventory Control and Reporting

The Central Receiving Department is responsible for overseeing the control of property assigned to University departments. The Central Receiving Department maintains inventory records and provides reports and information from equipment inventory records. Departments must ensure property tags are on ***all*** inventoried property.

4.1. University Equipment Inventory

The Central Receiving Department maintains the University Inventory System: a database containing information on each item of property valued at $1000 or more. The following information is maintained on the inventory database for each item of equipment:

- NMHU identification number (per property tag)
- name or description of item
- Manufacturer, model number, and serial number
- Reference complete

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- Department name and location where equipment is assigned
- Acquisition and assigned date to current department (if different)
- Cost

4.1.1. Adding New Items to the Inventory

If your department acquires a new item and the item does not appear on your yearly inventory list it is the department's responsibility to contact Central Receiving to make sure that it is added to your list.

4.2. Physical Inventories

New Mexico Law, Statutory Section 12-6-10 NMSA, as amended, requires New Mexico Highlands University to conduct a physical inventory of all property valued at $5000 or more annually. The annual physical inventory also provides departments with an accurate inventory of property assigned to the department.

4.2.1. Each year, the Central Receiving Department distributes to departments a listing of the department's equipment, as currently reflected on the University inventory. Instructions, an Equipment/Furniture transfer form and a Deletion form for corrections to the inventory are provided with the listing.

4.2.2. Department administrators are responsible for completing a physical inventory and returning all forms to the Central Receiving Department by the specified deadline. The department should retain copies of inventory documents.

4.2.3. The Central Receiving Department uses the certified inventories to make adjustments and corrections to the inventory. The Central Receiving Department will remove from department annual inventories items unlocated for two (2) consecutive years and reclassify them as "unlocated" items. Department administrators are responsible for submitting a letter explaining what happened to the equipment. After one (1) additional year, University unlocated items will be carried as unlocated and written off the financial statements. Any equipment that is found in future inventories will resume normal status.

4.3. Adjustments to Inventory

Changes in a department's inventory should be reported to the Central Receiving Department as they occur throughout the year. The Equipment/Furniture transfer form and the deletion form are used to report additions to or deletions from the department's inventory. This form may also be used to request that property be tagged.

5. Disposition of Property

When an item of property is no longer useful to a department, it may be transferred to another University department, traded in on new equipment, or disposed of through the University Central Receiving Department. The department that is transferring, trading in, or disposing of the property is responsible for completing an Equipment/Furniture transfer form or deletion form and submitting it to the Central Receiving Department to ensure an accurate inventory.

5.1. Interdepartmental Transfer of Property

When equipment is transferred between University departments, no change is made in the recorded value of the equipment. The department transferring the equipment must report the transfer to the Central Receiving Department on an Equipment/Furniture transfer form.

5.2. Transfer of Assets to Another Institution

Equipment purchased with funds from contracts and grants administered by the University legally belong to the New Mexico Highlands University. If a principal investigator transfers to another institution, in general, research grants will

transfer with the principal investigator. However, contracts and grants for public service or training projects will usually remain at the University. Guidelines within the contract or grant will specify the procedure to follow if the assets are to transfer with the grant. If equipment is to be transferred then a transfer form along with a deletion form must be completed and returned to the Central Receiving Department. Any equipment not officially transferred with the grant remains with the University.

5.3. Trading In Property

If a department wishes to trade in an item of property on the purchase of a new item, the department must contact the University Purchasing Department for approval. The Purchase Requisition should identify the item to be traded in, including a full description, manufacturer, serial number, and University identification number (per property tag). The department trading in the property must send a deletion form to the Central Receiving Department.

5.4. Disposal of Surplus or Obsolete Property

Property to be disposed of (not traded in on new equipment or transferred to another University department) must be sent to the Central Receiving Department. A department that has property that is not being used should contact the Central Receiving Department. The department should complete and submit the Deletion form.

5.5 Disposal of Computer Equipment

NM State Law requires that all computers to be disposed, transferred, traded-in or cannibalized of must have all the data eradicated from the hard drive or storage media. This must be certified by Computer Network Services Group (CNS group) prior to pick up by the Central Receiving Department. The disposition of computer equipment form must contain the network engineer's name the date this procedure was performed, the equipment, serial number and the NMHU tag number.

5.6 Disposition of Real Property

When University administration determines to dispose off any real property, the Vice-President of Finance and Administration shall submit a request for disposition to the Building and Grounds Committee. The following information should be submitted:

A. a description of the real property; and
B. the reason for the disposition.

Upon approval by the Board of Regents of the disposition of the property, the President should notify the Secretary of the Higher Education Department (HED) as required by the New Mexico Administrative Code 5.3.10.13. The following information should be submitted:

A. a description of the land parcel being sold or traded, including a location map and a statement of the appraised value;
B. the reason for the disposition; and
C. the amount of anticipated revenue from the sale and the expected use of this revenue.

Unless otherwise agreed by the Board of Regents pursuant to written recommendation from the University administration, the Vice-President of Finance and Administration shall prepare a competitive solicitation to sell the real property at the best available price.Such competitive solicitation shall be published in an appropriate media for at least 15 days.