



Chapter One

Property Management at Stanford University

Sections in this Chapter

| | |
|--|---|
| Overview | 1 |
| Stewardship | 1 |
| Roles, Responsibilities and Accountability | 2 |
| Department Property Administrators | 4 |
| Official Systems of Record | 7 |
| Security of Property | 8 |
| References and Resources | 8 |

Overview

Property management at Stanford University is an integral process supported by all departments. Effective and efficient management of equipment and materials, throughout their life cycle, help ensure university activities are performed in accordance with our policies, procedures and sponsor requirements. The property management system is comprised of policies, procedures, online systems and people, which support the overall educational, research and administrative missions of the University.

What is “Property”?

Within the context of this manual, “property” primarily includes equipment. However, depending on regulatory or other compliance requirements it may also include materials and supplies.

Stewardship

Effective stewardship and accountability of property, both Stanford and sponsor owned, are essential. Property is accountable to designated departments, each of which is responsible for the day-to-day management, use, care, record-keeping and disposal of those assets.

Each member of the Stanford Community has a general obligation to safeguard and make appropriate use of property owned by or accountable to the University. This includes property either assigned for individual use, or as part of a common area. This obligation includes but is not limited to:

- Notifying the appropriate Department Property Administrator (DPA) of the acquisition, movement or disposal of property
- Exercising reasonable care in use to prevent damage and maintain good condition
- Exercising reasonable security measures to prevent theft or misuse
- Reporting lost, stolen, damaged or otherwise impaired property to appropriate parties, including but not limited to a direct supervisor or common area manager

Stanford is one of the largest research universities in the country. Because the federal government and other granting agencies often sponsor funding for research, management of this property has high visibility and may be subject to greater scrutiny and audits. Also, if your department receives donated equipment, there are additional rules and regulations to follow. See [Chapter 2-Acquisitions, Donations Section](#) for information on how to handle donated property. **Accurate recording of all equipment, whether sponsor-funded or not, directly impacts indirect cost recovery and other reporting requirements.**

Accurate and effective management will benefit individual departments and Stanford as a whole. For assistance, departmental staff should [contact their DPA](#). DPAs requiring assistance should contact their [Property Service Representative \(PSR\)](#).

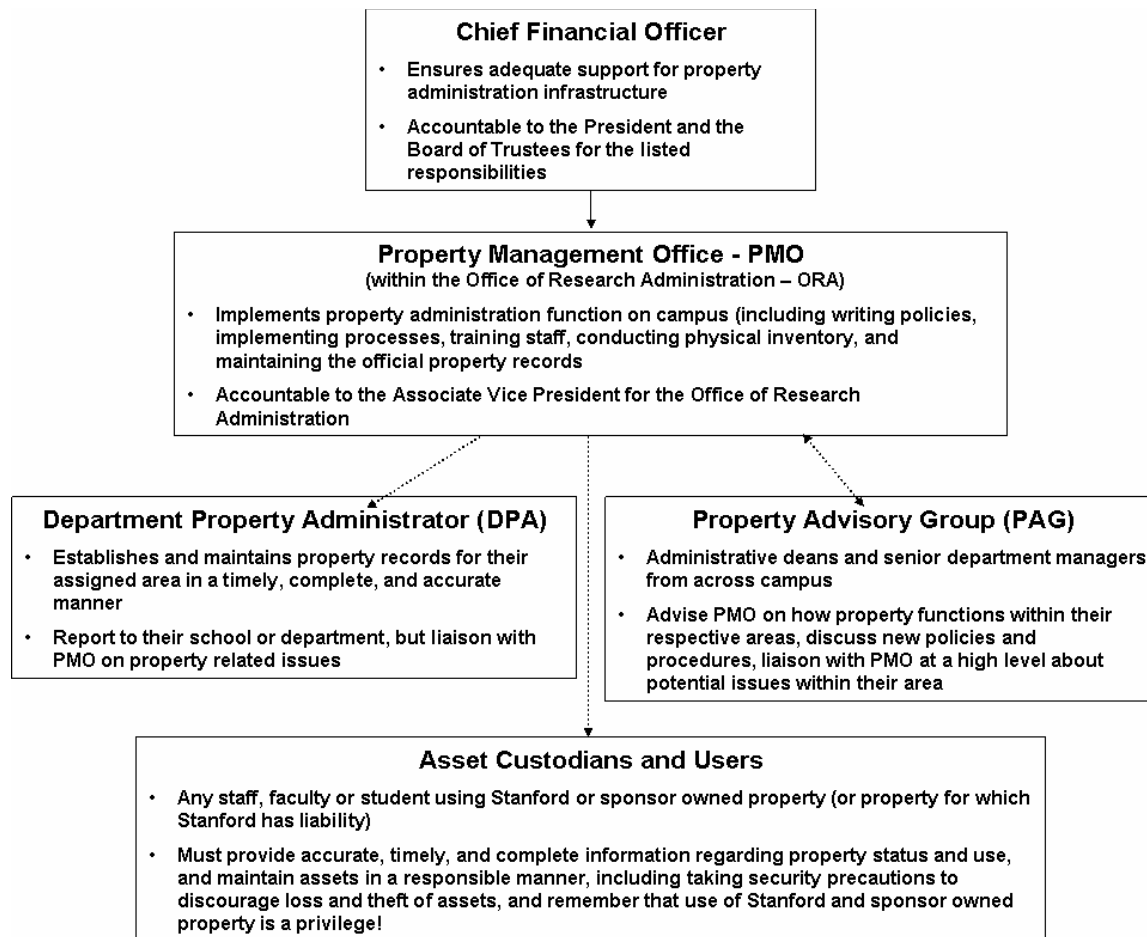
Roles, Responsibilities and Accountability

Organizational Structure of Property Management

The Property Management Office (PMO) within the Office of Research Administration (ORA) develops and implements policies, procedures, and a system that enables effective property management for the University. PMO works closely with the Controller's Office (CO) in the development and implementation of policies for capital equipment. Close communications are maintained with the Office of the Dean of Research in the development and implementation of policies for managing sponsor-owned equipment.

Property management issues are coordinated between the PMO and the local-area DPAs. The functional responsibilities of the DPA role may be distributed among several individuals within a department. The distribution of duties may vary depending on the size and complexity of the property management needs of the department or sponsored project. When distributing the responsibilities, the department must ensure that adequate checks and balances exist to ensure adequate process and data integrity are maintained. The DPAs carry out the day-to-day responsibilities within their respective departments and provide guidance to department personnel concerning property matters such as acquisition, coordination of transfers, equipment at subrecipient locations, maintenance, physical inventory, and disposal. The PMO will provide guidance and direction to departments where distribution of the DPA responsibilities is needed.

The Board of Trustees has delegated to deans, department chairs, directors, principal investigators and other University officers the responsibility for management of their funds (see [Guide Memo 36](#), Authorizing Expenditures). On June 9th, 1997, the Provost and Chief Financial Officer issued a memorandum supporting effective property management from every member of the Stanford community, starting with the officers. These officers are responsible for ensuring that policies and practices applicable to the work of the University, including instruction, research and public service are carried out, and those standards, policies and regulations are consistent with sponsor and donor expenditure restrictions. The following organization chart shows how the roles and responsibilities flow down.



PMO provides guidance and training to departments on all property related issues, from pre-purchase considerations through retirement of assets. Departments involved in sponsored research should contact PMO for assistance with equipment issues at the time of proposal development, project performance, and at the conclusion of projects or the retirement of equipment. Property management information is disseminated at training, PACE meetings, and via email – all DPAs are added automatically to the dpa-distribution@lists.Stanford.edu distribution list; others involved in the property process may add themselves via [@lists at Stanford](#).

Custodians and Asset Users

Custodians are Stanford employees responsible for a designated group of assets. Asset Users are the persons who use the equipment on a regular basis, and can help readily locate or provide information about it. A custodian may also be the asset user. Non-Stanford personnel may be authorized to use Stanford or sponsor owned property; if so, the Stanford University person they report to should be listed in the property record. There are various rules of thumb to follow when recording a custodian. Following are some common scenarios; work with your department management to determine what is best for your area.

- The actual asset user (Stanford University employee) is listed as the custodian
- The business manager is listed as the custodian and the individual employees or positions (i.e.: receptionist) are listed as asset users
- In lab situations, the Principle Investigator (PI) is listed as the custodian and research assistants or graduate students are listed as asset users
- For departmentally used items such as copiers, the key operator or business manager is listed as the custodian

Details on the specific roles, responsibilities and accountabilities of each person/group on campus are [available on the web](#).

Department Property Administrators

Choosing a Department Property Administrator (DPA)

Property management is an important function at the University. Prudent business practices help protect the University's multi-million dollar investment in capital equipment, meet government and sponsor requirements, and support indirect cost recovery associated with assets at Stanford. Each Dean, Vice Provost, and Vice President is responsible for implementing property administration effectively and compliantly within their school or department by ensuring that Department Property Administrators (DPAs) receive full cooperation from end-users and purchasers of property.

Selecting and designating a well-qualified DPA is critical to ensure effective property management occurs at the departmental level. It is imperative that the right people are hired into (or assigned) the DPA responsibility, as they must interface with all faculty, staff and students working in their respective area. They are also the liaison between their department and PMO. Following is a recommended profile for a person appointed as a DPA:

- Must be a Stanford University employee with a SUNet ID and SU.ID card/number
- Registered in authority manager
- Demonstrated effective communication skills
- Problem-solving skills
- Knowledge and understanding of all facets of property management, including associated policies and procedures
- Receives support from management in carrying out property management tasks and attending required training and updates
- Positive and persistent attitude toward accomplishing tasks
- Has basic accounting and organizational skills
- Knowledge of Windows programs and Internet navigation
- Knowledge of Oracle Financials and Sunflower Assets
- Holds at least a Certified Professional Property Specialist certification

Required Training and Tools for DPAs:

All DPAs must attend the initial required property management training, and subsequent ongoing update training. Following are training classes (both required and recommended) for DPAs. Please note that PACE (Property Administration Continuing Education) sessions should always be attended as they provide important update information and also provide a mechanism for DPAs to give input to the property process. Attendance sheets for these sessions are used in departmental internal audits to ensure all staff are adequately trained and updated. Additionally, people who support the DPA function by purchasing, receiving and tagging equipment, but do not perform data input into Sunflower Assets (SFA) should attend policy training and [PACE](#) sessions. Classes are usually scheduled monthly; people can register on-line in Stanford Training Registration. PACE sessions are scheduled quarterly and registration is not required. The complete [training schedule](#) is posted on the [DPA Update Web Page](#); anyone involved in property management should review this web page frequently for updated information. If you have a DPA to be trained and do not see any classes scheduled in the near future, please contact your [PSR](#).

Required Training for DPAs

Attendance at property management training is mandatory for DPAs, and recommended for other people involved in the property process; some training must be completed before access to Sunflower Assets will be granted. Following is a list of classes DPAs are required to take – schedules and additional materials are [available on the web](#). You may review this information prior to taking a class, or use it after a class as a desktop reference, or share it with others in your office. PACE sessions should always be attended as they are used to update the DPA community on property initiatives (schedule is linked below).

- FIN 950 – Property Policies and Procedures (Required for DPAs; recommended for people involved in the property process)
- FIN 955 – Creating/Maintaining Records in Sunflower (required for access to Sunflower Assets)
- FIN 960 – Reporting and Excessing Records in Sunflower for DPAs (required for DPAs)
- [PACE](#) Sessions (Property Administration Continuing Education)

Recommended Training for DPAs (should be completed within 6 months of hire into the position – these courses are all available online 24 hours a day, or in instructor led formats)

- [FIN.102 Cost Policy](#) (outlines the Chart of Accounts and accounting structure at Stanford University)
- [iProcurement](#) (DPAs approve purchase requisitions and should understand the system)
- [iJournals](#) (DPAs are often involved in journal transactions and should understand the system)

DPAs working in a research environment need a basic understanding of the intricacies of sponsor requirements, which can be unique to various agencies. They need to know about external screening, cost sharing and fabrication requirements, as well as other sponsor-specific topics. Also, in a research environment, there is added audit scrutiny, and additional documentation requirements. For those DPAs seeking a higher level of professionalism, there are higher levels of training and certification available:

- **Level One Cardinal Curriculum Certification:** The [Cardinal Curriculum](#) is a certification program created to ensure a standard level of expertise for those who support the research endeavor of Stanford University. It is required for both new and continuing employees working in research administration and all administrative staff who support sponsored research including those who:
 - Are involved with proposal preparation, or
 - Originate or approve transactions on sponsored accounts, or
 - Review or monitor expenditures on sponsored projects

- **Certification by the National Property Management Association (NPMA):** This professional organization has developed a 4-part certification program specifically focused on the regulations and accepted practices of university property managers. For those DPAs with additional experience and qualifications, there are higher levels of certification available. For further information contact your [PSR](#).

Official Systems of record

The financial systems at Stanford University are integrated as of 9/1/2003. Property systems are part of the financial systems; Oracle Financials contains several inter-related modules. The final repository of all financial transactions and balances is the General Ledger. The following systems, working in conjunction with each other, make up the “official” property record.

- **Sunflower Assets (SFA):** Used by DPAs and PMO to create and maintain asset records for the accountability, tracking, physical inventory and disposal of property
- **Grants Accounting (GA):** Used by DPAs and PMO to track fabrications while they are still work in process
- **Oracle Fixed Assets (OFA):** Used to calculate and track Equipment Depreciation and University Accounting (central office use only)
- **PMO Material Tracking System:** Used by DPAs and PMO to create and maintain records for the accountability, tracking, physical inventory and disposal of government owned material

PMO is the authorized group on campus to grant access to SFA. Additional supporting documentation is obtained from other University systems, such as iProcurement.

Stanford's campus is, by its nature, a decentralized place. The Sunflower Assets (SFA) database provides a central information resource where departments and administrative offices can locate a given piece of equipment by searching for an SU.ID tag number, serial number, steward, custodian, etc. SFA and FA form the central, auditable property record for Stanford University; they provide crucial information for the university relative to Stanford capital assets and government or sponsor funded assets. At Stanford a capital asset is defined as having all of the following:

- An acquisition cost of \$5,000 or more (for items paid for after 9-1-2003)
Note: Prior to 9/1/2003 the threshold was \$1,500, AND
- A useful life of more than one year

All capital and sponsor-owned property (except material which is tracked in the PMO Material Tracking System) must be recorded and tracked in SFA. Departments are also encouraged to use SFA as a single repository for all other property they manage, such as sensitive property, and other non-capital items the department chooses to track. Having a single record facilitates reporting, eliminates redundant and duplicate record entry into unofficial shadow systems, and can be used to track purchase trends within the department. It can also help maximize reutilization to avoid unnecessary purchases, and be used as a tool for replacement planning.

Security of Property

Each member of the Stanford community has a general obligation to safeguard and make appropriate use of University and sponsor owned property and equipment either assigned for individual use or part of a common area. Each department must ensure that there are reasonable security measures implemented in their areas to prevent theft, damage or misuse of equipment. The Department Property Administrator must play an integral role relative to these issues. Please review [Chapter 11 – Security](#) for detailed information on both physical and data security.

References and Resources

- [Sunflower Access Information](#)
- [Research Policy Handbook](#)
- [Administrative guide](#)
- [Roles and Responsibilities Matrix](#)
- [PACE Meetings](#)
- [Cardinal Curriculum](#)
- [PMO Material Tracking System](#)