



Administrative Policies and Procedures: *New Policy Draft 1.14*

Subject:	Management of Sensitive Non-Capital Assets	
Approval:	,Commissioner	Approved Date:
Authority:	TCA 4-3-1007, 4-3-1103, 4-3-1105, 37-5-105 (3), 37-5-106	
Standards:	ACA: 4-JCF-6B-09; COA: PA-FIN 4.03, PA-RPM 2.01 (a) (g)	
Application:	To All Department of Children's Services, Employees and Contractors who are assigned Sensitive, Non-Capital Assets	
Policy Statement:		
Sensitive non-capital assets shall be managed in accordance with the rules and regulations promulgated by the Tennessee Department of Finance & Administration. Department of Children's Services (DCS) strives to ensure the state's sensitive non-capital assets are properly acquired, safeguarded, controlled, recorded and disposed of in accordance with state and federal regulations, audit requirements, and applicable accounting pronouncements.		
Purpose:		
To ensure that the rules and regulations set forth by the Department of Finance & Administration for the management of sensitive non-capital assets are adhered to and procedures are clearly defined for employees and assigned Property Officers.		
Procedures:		
A. Sensitive Non-Capital Assets	Sensitive non-capital assets include, but are not limited to, all personal property and equipment that: <ul style="list-style-type: none"> a) Has a unit value greater than \$100.00 but less than \$5,000.00 (value on the basis required by government accounting standards); b) Is desirable; c) Is easily susceptible to theft; d) Is easily converted to personal use; and e) Has a useful life greater than one year (as well as property/equipment valued under \$100.00. 	
B. Inventory tracking system	The Department of Children's Services develops and maintains an inventory tracking system that allows for monitoring and control of all sensitive non-capital assets. Note: Sensitive non-capital assets are used for departmental business purposes in accordance with departmental policies and state and federal regulations.	

<p>C. Risk Management</p>	<ol style="list-style-type: none"> 1. DCS employees are responsible for maintaining adequate physical protection of the sensitive non-capital assets in their possession. 2. DCS retains all risk of loss or damage to state-owned equipment while the equipment is in the possession of an authorized employee, unless that damage or loss can be attributed to the employee’s negligence. Note: If employee negligence results in damage or loss of sensitive non-capital assets, the employee is responsible for the repairs or replacement of the property. 3. Final responsibility for control and supervision of state owned equipment lies with each of the Department’s management staff. DCS management is responsible for: <ol style="list-style-type: none"> a) Enforcing the physical security of sensitive non-capital assets under its control; b) Ensuring that the equipment is properly safeguarded; and c) Ensuring that equipment is returned or redistributed upon termination of an employee. 4. DCS maintains the record and report of all permanent transfers of sensitive non-capital assets between agencies to the Department of Finance and Administration (F&A), Division of Accounts (refer to FA-1064, State of Tennessee Interdepartmental Sensitive Non-Capital Asset Ownership Transfer Form). 5. The disposal of sensitive non-capital assets is strictly regulated by state law. Assets cannot be sold, loaned, given away, scrapped or disposed of by any division without prior written approval of the Department of General Services (DGS), Surplus Property Division. Note: Under no circumstances should any sensitive non-capital assets be thrown away. 6. DCS performs annual certifications, as part of the state’s fiscal year closing process, to F&A assuring that updated lists of sensitive non-capital assets are on file and available for inspection. 7. When a sensitive non-capital asset is discovered to be missing from its designated location with no record of its disposition, and theft is suspected, the local police department and DCS Internal Audit are notified.
<p>D. Designation and responsibilities of Departmental Property Officer</p>	<ol style="list-style-type: none"> 1. The DCS Manager of Asset Management appoints one (1) employee as the Central Office Departmental Property Officer. 2. The Departmental Property Officer: <ol style="list-style-type: none"> a) Supervises the daily management of all sensitive non-capital asset transactions for the department; b) Serves as the liaison between the Department of Finance & Administration and DCS for all sensitive non-capital asset transactions; and c) Serves as the liaison between other state and federal agencies as required.

	<p>3. At least one (1) person within each region/facility is:</p> <ul style="list-style-type: none"> a) Designated as the Regional Property Officer by the Regional Administrator (RA)/Superintendent/designee(s); b) Referred to as the Regional Property Officer; and c) Responsible for the daily management and oversight of all sensitive non-capital asset transactions for Central and regional offices and facilities.
<p>E. Acquisition and recording of state-owned property</p>	<ul style="list-style-type: none"> 1. Purchase of sensitive non-capital assets is made in accordance with rules and regulations established by the Department of Finance & Administration. 2. The recording of items purchased that requires entry into the state's and/or department's property inventory tracking system is processed by the Departmental Property Officer or designee.
<p>F. Transfer of sensitive non-capital assets</p>	<ul style="list-style-type: none"> 1. Transfer of sensitive non-capital assets is handled in accordance with rules and regulations established by the Department of Finance & Administration. 2. All Divisional Property Officers ensure that form CS-0349, Transfer of State Equipment (TSE) is completed according to established procedures. A TSE request is entered and approved prior to moving any sensitive non-capital assets. 3. Computer and peripheral equipment is moved or relocated only by Information Services personnel. If the equipment is being moved because the office is relocating, Information Services personnel are available to supervise the move of the computers and peripheral equipment to the new office location. 4. When sensitive non-capital assets are transferred from individual to individual, regardless of location, Property Officers ensure that form CS0-349, Transfer of State Equipment, is completed, approved and processed according to established procedures.
<p>G. Surplus of state owned property</p>	<ul style="list-style-type: none"> 1. The Regional Property Officer compiles a list of items (with digital photos, if needed) for surplus from Central and regional offices/facilities and enters a Remedy Request to request surplus be processed by the Central Office Departmental Property Officer. When the request is approved, the Departmental Property Officer forwards all required paperwork to the Regional Property Officer for the pickup to be scheduled. 2. The list of surplus items must contain the following information: <ul style="list-style-type: none"> a) Tag number; b) Region/facility to which surplus was assigned (Depart ID); c) Custodian name (individual at the location); d) Description of the item(s); e) Telephone number (at pick-up location).

H. Lost, Damaged or stolen state-owned property	All employees are responsible for reporting lost damaged or stolen sensitive non-capital assets by contacting the Departmental Property Officer. The Departmental Property Officer coordinates reporting of the lost/stolen property to DCS Internal Affairs. Internal Affairs reports to the State of Tennessee Comptroller of the Treasury.
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Forms:	<u>CS-0349, Transfer of State Equipment</u> <u>FA-1064, State of Tennessee Interdepartmental Sensitive Non-Capital Asset Ownership Transfer Form</u>
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Collateral documents:	<i>None</i>
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Glossary:	
Term	<i>None</i>