

Board of Trustees of the Nebraska State Colleges

Business and Finance

POLICY
NAME: Safeguarding Assets

POLICY
NUMBER: 6016

A. PURPOSE

To provide for the safekeeping of cash, financial assets and personal property.

B. DEFINITIONS

1. **Tangible Personal Property** – Property exclusive of land and buildings that is movable, including equipment, furnishings, vehicles, appliances, electronics, scientific or academic instruments and other physical property.
2. **Surplus Property** - Usable or unusable tangible personal property, which has been declared excess or surplus to the needs of the College or System Office.
3. **Capital Item** – Tangible personal property owned, leased, controlled or possessed that meets three criteria: 1) is not consumed in the normal course of business, 2) has a unit value of five thousand dollars (\$5,000) or more, and 3) has an economic useful life that exceeds two (2) years.

C. POLICY

1. Safekeeping Financial Assets

Each College and the System Office shall develop specific safeguards to reduce the risk of theft and destruction of cash on hand and in transit as well as other financial assets.

1.1 Internal Controls

The Colleges and System Office shall adhere to a system of internal controls that provides for the necessary oversight and separation of duties to protect financial assets, is responsive to any audit findings identifying weaknesses, and includes on-going monitoring.

1.2 Bonded Employees

Board members and employees who handle money on behalf of the Board and/or College(s) shall be bonded to the amount and in the manner

prescribed by the State Risk Manager, state law and existing bond indentures as part of the state's corporate surety bonds.

In no instance shall the cost be assumed by a Board member or employee. The premiums on the bonds shall be paid by the State of Nebraska out of funds appropriated by the Legislature, upon the order of the Risk Manager.

2. Safeguarding Personal Property

Appropriate capital and non-capital inventories of tangible personal property shall be maintained throughout the System. Each College and the System Office shall be responsible for maintaining required inventory records for tangible personal property, performing physical inventories, reconciling physical inventories to the related records and reconciling additions and deductions on the inventory system to the general accounting system.

2.1. Capital Inventory

Procedures should be in place to ensure that newly acquired capital items are promptly added to the inventory records and any item which has been determined to be surplus to the needs of the institution, and has been transferred, sold, traded-in or disposed of, is deleted from the inventory records. A physical inventory is to be conducted annually to compare assets on hand to those listed on the inventory records. Location of equipment and other capital items should be updated as necessary to reflect the current status of the inventory; it is essential that persons taking the physical inventory be able to locate all items listed on the inventory promptly.

2.2. Non-Capital Inventories

All desktop, laptop, and tablet computers will be tracked on inventory and tagged. The colleges should define an appropriate level of control for other movable assets, including art, not included on the capital inventory and non-capital inventories.

2.3. Tagged Properties

All capital inventory and other non-capital inventory items required to be tracked shall be indelibly tagged, marked or stamped as belonging to the State of Nebraska. All items purchased with non-state funds that meet the inventory requirements shall also be tagged, marked or stamped with appropriate identification and a separate inventory maintained.

2.4. Recovery of Tangible Personal Property

If any property identified in the inventories is lost, destroyed or unaccounted for due to negligence or carelessness, proper steps shall be taken to recover such property or the reasonable value thereof from the responsible party.

2.5. Annual Submission of Personal Property Inventory

Each College and the System Office shall file the inventory record for the capital inventory as of June 30, with the DAS Materiel Administrator by August 31 of each year.

FORMS/APPENDICES:

None

SOURCE:

Legal Reference: Neb. Rev. Stat. 11-201-11-202

Bonds or insurance; state officers and employees

Neb. Rev. Stat. 85-304

Board of trustees; powers and duties, enumerated.

Policy Adopted: March 1994

Policy Revised: June 2010, March 2013, January 2023