

Property Control System Manual (PCS)

PCS 004: Definitions

Effective: 2/15/1995

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Abandoned Property

Property that is not sold after being placed on the public floor for 30 days.

Asset

Resources with present service capacity that the University presently controls.

Betterments

Improvements, changes, or additions which extend the useful life of a capital asset, increase the capital asset's efficiency, or change the capital asset's intended use.

Cannibalization

The act of disassembling or dismantling equipment to the point of making the equipment unable to perform its intended use.

Capital Asset

Assets that are real property, capital equipment, fabricated equipment, betterments, infrastructure, right to use, or subscriptions assets with a useful life longer than a year and that are not intended for sale in the regular course of operations.

Capital Equipment

Movable tangible property having a life expectancy of one year or more and a unit cost of \$5,000 or more (exclusive of sales and/or use tax, freight, and installation).

Capital Improvement Projects

Projects embodying the construction or purchase of new facilities, construction of major additions to existing facilities, or construction incident to a major change in function of an existing facility.

Capitalization

The process of assessing assets to determine if the property has a life expectancy of one year or more and an acquisition cost of \$5,000 or more.

Capitalized

Recognized an expenditure and/or gift as a capital asset rather than an expense, usually at its present value.

Excess Property

Property no longer needed by the custodial department but that may be used by another department within the university or sent to Surplus Property.

Fabricated Equipment

Equipment that is constructed from individual parts by ASU and is identifiable as a discrete item (**not** a “project”). The equipment requires creative design effort by university faculty and cannot reasonably be built by an off-campus vendor (i.e., it is one-of-a-kind). It likely includes custom components, does not include modular equipment, and construction of the item is complex (e.g., not simply plugging various electrical components together). The finished item’s function does not bear resemblance to the functions of the individual components (e.g., an engine converts energy, a frame provides structure, and wheels reduce friction, but, a car provides transportation). The finished product must have a unit cost of \$5,000 or more and a useful life of one year or more.

Fabrication

A piece of fabricated equipment.

Government-Furnished Equipment (GFE)

Equipment provided to the university by the federal government or government contractor for grant or contract-specific use.

Idle Equipment

Equipment that currently has no known use for the department, contract, or grant but eventually may be used.

Interdepartmental Sales Rights (ISR)

The rights reserved by a university department to the calculated proceeds of an equipment sale.

Inventoriable Equipment

Capital equipment and any other equipment designated by a sponsor for inventory.

ISR

Interdepartmental sales rights.

Lease

An agreement for the right to use property for a specified period at a specified cost. Title remains with the lessor. At no time does the lessee build equity in the property.

Lease/Purchase

An agreement for the right to use property for a specified period at a specified cost. During the term of the lease, the lessee builds equity at a specified rate so that, at the end of the lease period, the lessee has the option of purchasing the property at a specified amount. Title to the property remains with the lessor until the lessee exercises the option to purchase.

Loaned Equipment

Property provided by an outside party for use by the institution for sponsored project or research-related activities; title to the property does not normally pass to the university.

Personal Property

Property of any kind except real property or property permanently affixed thereto. It may be “tangible” (having physical existence) or “intangible” (having no physical existence), such as patents, inventions, and copyrights.

Personally Owned Equipment

Equipment owned by a university employee or other private party from whom the university employee has received proper and valid authorization for use.

Real Property

Land and permanently affixed buildings and improvements.

Records Management

The creation and implementation of systematic controls for records and information activities from the point where they are created or received through final disposition or archival retention, including distribution, use, storage, retrieval, protection, and preservation.

Remodeling

Changing the use of building space or refurbishing to make space more functional or more cosmetically appealing.

Resale

The purchase of property on a cost-of-goods-sold object code.

Retired

Removed from actively reported capital assets in the Workday Business Assets database.

Sales Tax

A transaction privilege tax imposed on the seller for the privilege of making sales in the state; it is generally passed on to the buyer by the seller by contract.

Scrap

Surplus material, such as metal pieces, broken component parts or inoperable equipment, which has no utility value in its present state.

Spot Sale

Individual sales of surplus property during the regular office hours.

Surplus Equipment

Equipment currently not in service and with no anticipated future use.

Surplus Property

Property not needed by a department within the university. Surplus property includes all excess items and materials other than items that would be typically disposed of in a wastebasket, such as scrap paper, consumed pencils and pens, etc.

Tag

To place an ASU property control number on a piece of equipment.

Temporary Warehouse Storage

The temporary storage of university property for the convenience of university departments. Storage will not exceed one year without vice presidential approval.

Use Tax

A tax imposed on the buyer for the in-state use of items purchased from out-of-state suppliers.